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Special Focus: Poland

The Republic of Poland, being a member of NATO and the European Union, with its significant economic and population potential, is an important actor on the international political scene. Membership in both organizations as well as the strategic partnership that the country developed throughout the years with the United States of America enhances Poland's security and gives

to the country a crucial and vital role in the geopolitical status quo of Central Europe. In order to foster the aforementioned position Poland has allocated 25,719 million zlotys to defence expenditures. The 2010 defence expenditures ceiling has been established as defined in the act dated 25 May 2001 on restructuring, technical modernization and financing of the Polish Armed Forces. According to it not less than 1.95% of the Gross Domestic Product of the previous year, should be allocated to defence.

Memberships in the North Atlantic Alliance and in the European Union are the main reference points for Poland's defence policy. Since the fall of the communist regime Poland has constantly and methodically tried to become a member of NATO. The country's participation in "Partnership for Peace" program was the first step for the realization of the aforementioned goal. Poland, finally achieved its strategic target on 12 March 1999. Until then it has further integrated in the NATO's structures and have become an active member by taking part in the stabilization activities of the alliance that are carried out in different regions of the world. Poland participates in all the most important NATO operations: in Afghanistan (ISAF), Kosovo (KFOR), Iraq (training mission NTM-I) and in the Mediterranean Sea (Active Endeavour). At the moment engagement in Afghanistan is a priority for Poland, as almost 2000 soldiers are deployed there.

Additionally, Poland perceives the Alliance as significant forum of dialogue and consultations in transatlantic relations, within "Partnership for Peace" program and in the enhancement of its relations with Russia and Ukraine. Furthermore, Poland participates in many transformation initiatives such as NATO Response Force (NRF), concerning transport aircraft C-17 or Special Forces.

In Bydgoszcz there is a Joint Forces Training Centre, an important element of NATO's command structure.



European Union is the second important pillar of Poland's security policy. Since 2004, when the country became a member of the European Union it has been participating in the endeavors of European Defence Agency (EDA). In July 2006 Poland joined the "Intergovernmental Regime to Encourage Competition in the European Defence Equipment Market" of the Agency. Additionally, is one of the biggest participants of the first research program of the EDA "Defence Research and Technology Joint Investment Program on Force Protection".

Poland has participated in three European Union military operations so far. Before Poland joined the Union, in 2003, (17) Polish soldiers participated in “Concordia” operation in FYROM. Furthermore, Poland is still present in Bosnia and Herzegovina within “Althea” operation (170 people) which in December 2004 replaced NATO activity in this country. In 2006 (130) Polish military policemen participated in operation EUFOR RD Congo in the Democratic Republic of Congo. It was the fourth biggest contingent of that mission.



Apart from the participation of the country in international organizations, Poland has also developed political and military cooperation bilaterally. One of the countries that Poland developed political and military cooperation is the United States of America. Poland supports United Nations operations to maintain international peace and security and United States of America provides a stable and important political partner for Poland.

The aforementioned political triangle formulated by the participation of Poland in EU and NATO and by the enhanced bilateral political and military relation between Poland and United States of America formulated a robust defence doctrine for the country. This is further fostered by the increase in the defence budget of Poland. It is indicative that in 2000 the defence budget was 13,763 million zlotys, whereas in 2010 it reached 25,719 million.

Poland’s security is primarily determined by processes and developments occurring in the triangle delineated by NATO, EU and USA. By using the political improved that it has it developed in a rather important factor of stability for the Central and Eastern Europe.

Kyriazis Vasileios,
Epicos Newsletter Head Editor

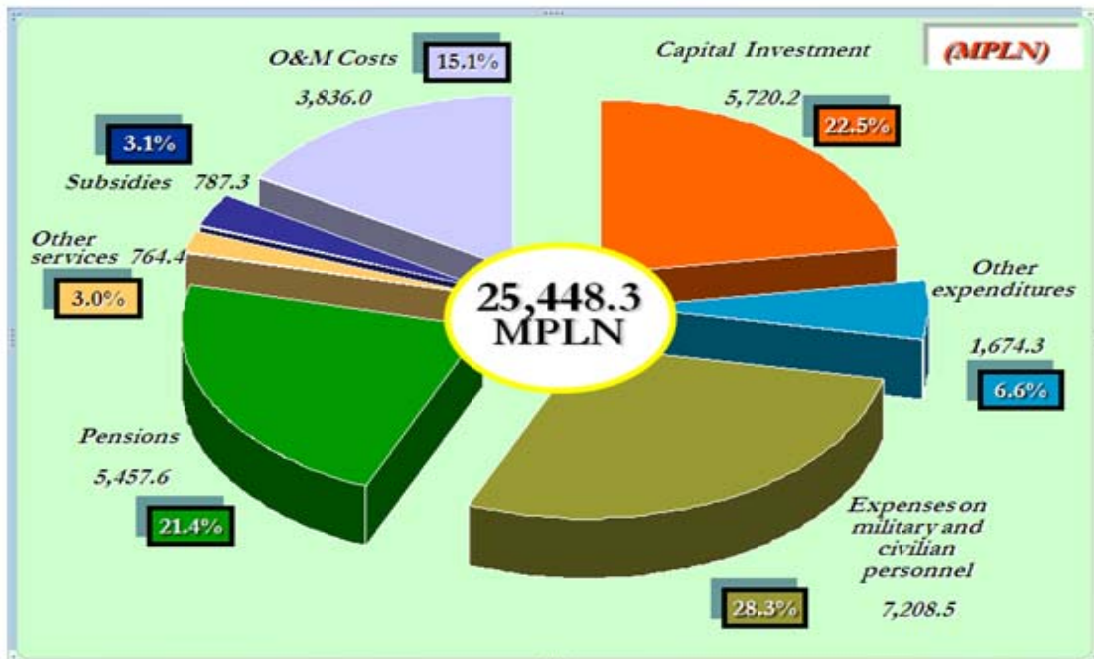
Polish Defence Procurements in the New Era



The Polish security system is based at a modern defence system which is an integral part of the defence system of the European Union and NATO. Therefore, the contribution of Poland in this system is mainly the participation of the national Armed Forces in different operations carried out outside the Euro-Atlantic zone in accordance with mandates of the aforementioned internationally recognised organisations. In order to achieve this goal Poland has to form well- trained and equipped armed forces. Hence, Polish authorities allocate every year a significant amount of funds in the modernization of the armed forces

Of course, the funds allocated are spend properly and under the constant screening of public and social institutions, namely the Ministry of National Defence, the Parliament and the Senate and its Commissions of National Defence, the Highest Chamber of Control and the mass-media. The particular procedure of working out and endorsing the budget of the Ministry of National Defence is defined in the Public Finance Act from 26th of November, 1998.

Structure of MoND budget in 2010 (MPLN=Million Zlotys)



Ministry of National Defence, Republic of Poland

The Polish defence budget has been considerably augmented during the last decade. In 2000 it was 13,763 million zlotys, whereas in 2010 it reached 25,719 million. Additionally, Poland’s imports over the period 2004–2008 were 160% higher than in 1999–2003, due primarily to the import of 48 F-16 combat aircraft from the United States. It was the second largest importer of major conventional arms in the EU and 15th largest in the world.

As it is stated above USA is the main exporter of military goods to Poland. Poland procured (48) F-16C Block-50/52 aircrafts the delivery of which concluded on 2008. Poland and the USA have further enhanced their co-operation when Poland loaned (40) Cougar APC/ISV vehicles for use in Afghanistan. Cougar is an armored fighting vehicle designed to be resistant to anti-vehicle mines and improvised munitions and therefore was an important

Imports (expressed in US\$ m. at constant 1990 prices)

	2006	2007	2008	2009	Total
USA	356	865	498	22	1741
Italy	45	57	32	32	166
Finland	23	23	17	14	78
Spain	-	26	26	-	52

Source: SIPRI Publications, Arms Transfers Database

addition for the Polish Armed Forces deployed in Afghanistan.

Italy is the second exporter of defence equipment based on the amount of funds allocated. In the period 2004-2009 (313) HITFIST IFV turrets were delivered to Poland. The total amount of the procurement was \$308 million US dollars and was accompanied by an offset deal, which included the production of (241) turrets in Poland.

The turrets procured from Italy were placed in (358) XC-360 AMV APC procured from Finland. The contract included a 133% offset package deal. From the (358) vehicles acquired (313) were fighting and (32) reconnaissance vehicles. Finally, Poland procured (2) C-295 Transport aircrafts. The delivery of the aircrafts was concluded in 2007 and the total amount was 114 million US Dollars.

Kyriazis Vasileios,
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Epicos Project Opportunities



Epicos "Project Opportunities" 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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Rapid Prototyping services for steel and Aluminum casting parts designs for Aerospace applications



A company specialized in the manufacture of precision castings steel and aluminum parts using the Lost Wax Process for the defense and industrial sectors, is proposing, in the frame of an offset program, the collaboration with Aerospace and Defense (A&D) primes or lower tier companies for the provision of Rapid Prototyping services for new steel and Aluminum casting designs for specific Aerospace applications.

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

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Upgrade of special operation armored fighting vehicles with C4I ruggedized system



A company specialized in the development, manufacturing and integrating of military standard fully rugged mobile computers and an advanced command, control, communication, information and navigation systems for land, airborne and naval applications is proposing, in the frame of an offset program, the collaboration with governmental authorities, military and homeland security forces for the upgrade of special operation armored fighting vehicles with C4I ruggedized system. The upgrade will be based on the company's existing and fielded products.

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EUROPEAN UNION AIR TRANSPORT POLICY AND AEROSPACE INDUSTRY: The process of EU and Air Transportation, defense and space programs, the enlargement of EU ... of Air Transportation, recommendations to EU, by Mustafa Goktu KAYA



This study discusses all respects of the air transportation in the EU. The aim of the study is to indicate that the air transportation is the basic milestone of the EU's enlargement in the future and also to present objective ideas to the readers on the precautions which should be taken in terms of air transportation. Additionally, it indicates the policies that the EU should improve so that it can sustain the stability of this development and how it should form its relation with the other countries. This book should be regarded as a must read for everyone involved in the domain of air

transportation.

The defense industry: A comparative analysis of US and European companies, by Valentina Santaniello



Over the last years, the global defense industry has been experiencing a substantial growth rate and it has gradually become a vital component of the economic structure of the most powerful nations in the world. Therefore is important to understand the structure of the main companies that are involved in the domain of defence. This book offers an up-to-date overview of the industry by providing a strategic analysis and a financial study of the major players. It helps identifying the characteristics of the European and the USA's market as well as the key success factors a firm operating in the

aforementioned markets has to be strong at.



Cash-strapped EU defence chiefs eye deeper cooperation

European Union defence chiefs will tackle Thursday ways to maintain their military might despite shrinking budgets by stepping up cooperation and avoid losing power and influence in the world.

Faced with dwindling resources at a time of austerity across Europe, the 27-nation bloc's defence ministers want to identify military assets that they could pool and share, such as transport planes and training facilities.

France and Britain set an example last month by sweeping aside their historic rivalry and striking a landmark deal to share the use of aircraft carriers and nuclear testing facilities.

"I do think this is a very interesting moment for European defence, especially following the Anglo-French treaty," Nick Witney, former chief executive of the European Defence Agency, told AFP.

"The big question mark now is, does that bilateral cooperation between the two big players suck the oxygen out of wider European defence," said Witney, now a senior fellow at the European Council on Foreign Relations think tank.

"That question is one for the other Europeans. But it is also a question for France: Is it possible for France to go in two directions at same time?"

Germany and Sweden issued a joint document last month, entitled "Food for Thought," which states that "intensifying military cooperation in Europe" had become a "European imperative."

The two countries called on their partners to review their military capabilities in order to identify areas of potential cooperation.

European governments should decide which capabilities will remain strictly sovereign, the German-Swedish paper says, noting that combat forces, fighter planes, warships, and intelligence could fit in that category.

Areas that could be pooled together include training forces, strategic airlifts and logistics capabilities, the document says.

Finally, governments should identify tasks that they could share such as aerial and maritime surveillance as well as training and exercises, it says.

Witney said the German-Swedish paper was a "welcome sign of life, but how determined are they to push through with that?"

He added: "It is only frankly inertia that prevents these from being rationalised across national banners."

EU defence ministers decided in September to give new impetus to the idea of linking up capabilities and asked the bloc's foreign and security policy chief, Catherine Ashton, to come up with areas of possible cooperation.

She will issue her report on Thursday, which will also be discussed at a summit of EU leaders on December 16-17.

A European diplomat said the European Defence Agency has identified 70 areas where governments could work together, including air transport, medical support and the protection of troops against improvised explosive devices.

Europe's effort to increase cooperation comes at a time when power and influence in the world "is passing rapidly to the southeast," Witney said.

France has warned that Europe risked losing its standing in the world and falling under Chinese-American domination due to drastic cuts in military budgets across the continent.

"At the pace we're going, Europe is progressively becoming a protectorate, and in 50 years we will become a game in a balancing act between new powers in which we will be under a Sino-American dominion," Herve Morin, the former French defence minister, said at the ministerial meeting in September.

Source: 2009 AFP, Agence France-Presse (AFP)

Lula says no fighter jet decision before he leaves office

Brazilian President Luiz Inacio Lula da Silva has said he will not make a decision on a multi-billion-dollar jet fighter purchase before stepping down on January 1, according to state media.

Government news agency Agencia Brasil and television station TV Brasil said Lula late Tuesday declared that it would be up to the government of his successor, Dilma Rousseff, to decide the work out the close-fought competition.

Source: 2009 AFP, Agence France-Presse (AFP)

US defence secretary arrives in Afghanistan

US Defence Secretary Robert Gates flew into Afghanistan on Tuesday for talks with commanders and Afghan President Hamid Karzai, as Washington reviews its strategy in the nine-year war.

His unannounced trip comes amid further tensions between Washington and Kabul after leaked American diplomatic cables offered a scathing account of Karzai and his corruption-tainted allies.

Gates travelled to the sprawling Bagram air base, a year after US President Barack Obama ordered 30,000 extra American troops into the war in a strategy overhaul, also renewing efforts to build up Afghan security forces.

"He arrives here feeling very good about the progress that has been made in the past year," spokesman Geoff Morrell told reporters travelling with Gates.

The trip will help shape a war strategy review under way in the White House, Morrell told reporters.

"This visit will inform that discussion back in Washington," he said.

Gates was scheduled to hold talks with the top NATO commander in Afghanistan, US General David Petraeus, who expressed doubts Monday about the prospect of a victory in Afghanistan by 2014.

In an interview with ABC television, Petraeus would not say he was confident that an Afghan government and its security forces would be able to take over from the US-led coalition four years from now, as envisaged by Washington.

"I don't know that you say confident. I think no commander ever is going to come out and say 'I'm confident that we can do this,'" Petraeus said.

His moment of candour comes after Obama made his second trip since taking office nearly two years ago to Afghanistan on Friday -- where he reassured US troops that they were winning the war but did not meet Karzai due to bad weather.

Petraeus has also tried to play down disagreements with the Afghan president and denied reports that he threatened to resign over Karzai's comments about the US military presence.

Gates, who flew into Bagram air base, was due to visit troops across the country only days after six Americans were killed by an Afghan border policeman during a training session.

The attack was the latest staged by insurgents who have managed to infiltrate Afghan forces, which threaten to undermine a costly NATO effort to build up Afghan police and army troops.

US-led troops in the east are struggling to cut off insurgent supply lines as militants exploit sanctuaries in neighbouring Pakistan.

Gates travelled to Afghanistan after spending the night on the aircraft carrier USS Abraham Lincoln on Monday in the Arabian Sea.

Source: 2009 AFP, Agence France-Presse (AFP)

Cathay Pacific chief nominated to take helm of IATA

The chief executive of Hong Kong based airline Cathay Pacific, Tony Tyler, has been nominated to take over the leadership of the International Air Transport Association next July, IATA said on Friday.

The airline association said in a statement that its board of governors would recommend Tyler's appointment to replace current IATA director general and chief executive, Giovanni Bisignani, when he retires.

"Tony's leadership of Cathay Pacific through challenging times prepares him well for the job. His knowledge of Asia will help IATA take advantage of opportunities in the industry's largest market," said David Bronczek, chairman of the IATA Board of Governors.

IATA's annual general meeting in June 2011 in Cairo will consider Tyler's nomination before he is scheduled to take up his new duties on July 1.

Tyler paid tribute to Bisignani's achievements, including the introduction of electronic ticketing for passenger travel and IATA's programme to tackle climate change and cut the airline industry's emissions.

"We constantly have to adapt to changing market conditions, new business models, different traffic patterns and frequent crises," the 55 year-old said.

"I am fully prepared to lead future changes to help all participants in this great industry be even more successful," he added.

IATA represents some 230 carriers that account for more than 90 percent of scheduled air traffic globally but does not include many of the big budget airlines.

Source: 2009 AFP, Agence France-Presse (AFP)

Philippines to buy military equipment from China

The Philippines said Tuesday it was set to sign a "substantial" deal to buy military equipment from China, but insisted it should not impact on its close ties with the United States.

The logistics deal is to be signed by armed forces chief General Ricardo David, who left Tuesday for Beijing to meet with senior members of the People's Liberation Army (PLA).

The visit is aimed at "building bridges of goodwill" and to boost defence relations between the Asian nations, Philippine military spokesman Brigadier General Jose Mabanta said.

"It would formalise the very good relationship between our countries in terms of exchange of logistics, which the Philippines will be greatly benefiting from," Mabanta told AFP.

Although specific details of the deal were not immediately available, Mabanta described its benefits as "very substantial" for the 130,000-strong Philippine force.

He said the it would beef up the ill-equipped and often cash-strapped military, which despite US assistance has not been able to crush decades-long communist and Muslim separatist rebellions.

Mabanta emphasised the planned deal did not signify a shift in military alliances, stressing that the Philippines valued Washington's continued help against Al-Qaeda-linked militants on the country's main southern island.

"There are no political implications," he said.

Hundreds of US troops have been stationed in the southern Philippines since early 2002, helping to train their Filipino counterparts in how to combat the Al-Qaeda-linked Abu Sayyaf militants.

The Philippines is also a former US colony and remains one of the United States' closest allies in Asia.

The United States has previously expressed concern over China's growing military and economic muscle in the region, mostly by ploughing millions in dollars of investments and assistance to its weaker neighbours.

When asked if the logistics deal was to buy military equipment from China, Mabanta said he was not sure.

However the military said previously that China last month gave it 33 pieces of heavy equipment, such as bulldozers, worth about 172 million pesos (3.9 million dollars).

The local army used the equipment to build roads and bridges to bring outreach programmes in remote areas where Maoist New People's Army (NPA) rebels operate, as well as in rehabilitation effort in places hit by disasters.

The NPA is the armed unit of the Communist Party of the Philippines, whose rebellion that began in 1969 was initially supported by Beijing.

Mabanta on Tuesday said China had long ago cut ties with the NPA and was now focused on helping improve the Philippine army.

Source: 2009 AFP, Agence France-Presse (AFP)