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Hungary: Future Defence Budget



HUNGARY

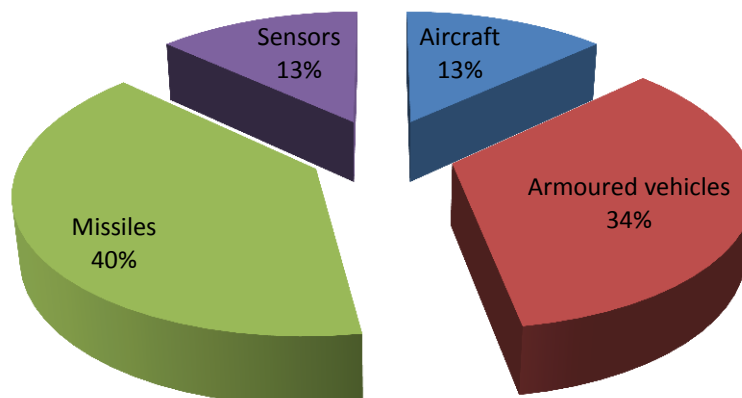
The international economic crisis created several problems to the Hungarian economy and significantly decreased the budgetary resources available to the Ministry of Defence. This negative trend constitutes an even more significant challenge due to the fact that national defence had been underfinanced in the previous period, too. In order to avert this

negative development, the Government of Hungary committed itself in a resolution that the budget of the Ministry of Defence for the budgetary years 2013-2015 will be provided at least at the nominal value of the budgetary allocation for 2012, while from the budgetary of 2016, with an annual increase of no less than 0.1% of the GDP. The total budgetary allocation will reach 1.39% of the GDP by 2022, which is close to the average of the European NATO Member States.

In order to implement the Strategy and especially the objective targeting the establishment of a sustainable military force, Hungarian authorities will seek to ensure that a 40- 30-30% proportion of personnel, operation and maintenance and procurement costs will be realized in the mid-term within the defence budget.

Due to lack of funds the country did not procure a variety of defence equipment in the past years. It is indicative that for the period 2008-2012 Hungary procured defence equipment only from three countries, namely USA, Finland and Israel. USA has a leading role in the Hungarian armament imports as 28 out of the 38 US\$ m. at constant (1990) prices of defence equipment was procured from this country.

Hungarian Arms Imports, 2008-2012



Missiles were the predominant area of imports for the period 2008-2012 with a total amount of 15 US\$ m. at constant (1990) prices. The 2nd most important sector was that of Armoured vehicles with 13 US\$ m. at constant (1990) prices whereas other areas such as aircraft and sensors follow.

Kyriazis Vasileios,

Epicos Newsletter Head Editor

Hungarian Defence Industry: In a Constant Process of Development

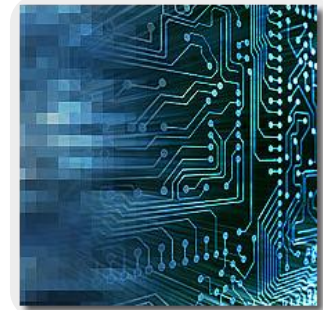


Currently, there are between 100-150 companies in Hungary that hold licences for defence industry manufacturing. Nevertheless, there are several other that develop dual use products. The main equipment that the Hungarian industry develops are ammunition and pyrotechnical systems, special clothing and protective equipment as well as radiation detectors and defence electronics. Additionally, Hungarian defence industry provides services that are divided into two primary activities: modernization of vehicles, radar and locator technical equipment and detection, disposal of explosives and bombs.

The following are the primary products in Hungarian exports:

- Small arms
- Ammunition
- Pyrotechnics
- Explosives
- Defence electronics
- A large proportion of primary export products comprise products withdrawn from service (a part are exclusively for industrial use)

The strong points of Hungarian industry are that it is rather flexible in meeting the challenges, has the proper products and service capacity to fulfill special demands, even for small quantities at a high, reliable quality. Additionally, the industry is aware of the western regulations, standards, procedures, products as well as for the Russian ones.



Hungarian Industry has a rather dynamic perspective. One of the reasons is that well trained personnel consists a creative and flexible human capital for Hungary. Additionally, globally recognised aerospace related R&D activity is carried out in several universities and research institutions. Foreign universities are invited to establish departments and affiliated research programs in Hungarian Universities through which both the academic and industrial society are benefited.

For the further development of the industry in 2003 the Aviation Industry Foundation was established (HAIF). HAIF plays the role of a catalyst and facilitator in the industry development process and helps the integration of the Hungarian Aerospace industry in the European environment.

Hungarian defence industry is in a constant process of development. Based in its advanced and well trained personnel Hungary has left behind the heavy and unorganised heritage of the social era and it is now advancing with a better structured and trained industry.

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 an advanced UAV simulation for both Test bed and Operational Training



A leading company active in Military Simulation, offering technologically advanced solutions and services in the development and integration of turnkey projects for the military simulation market, is proposing the development of an advanced UAV simulation solution for both Test bed and Operational Training.

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

Mail at: g-menexis@epicos.com

Development of Helicopter Custom Design & Modification capability



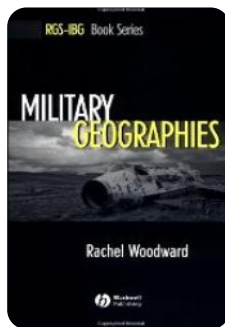
A company certified in carrying-out inspections and repairs on helicopters as well in the helicopters' emergency floats, Life Rafts and several equipment used in aerial operations, is willing to expand its capabilities in custom design and modification for helicopters, so as to address national military and civilian needs.

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**Managing Defence in a Democracy, by R. Clearly and Teri McConville**

The state is understood as a human community that claims, successfully, the monopoly of the legitimate use of physical force within a given territory. Taking into consideration this ascertainment a question that is unprompted created is how the state intends to control the means of violence which are used both for internal and external security. Although each state is unique it is possible to identify common issues, problems and answers to the above-mentioned question and this is exactly what the leading contributors that this volume brings together are trying to identify.

Military Geographies (RGS-IBG Book Series), by Rachel Woodward

Military Geographies sets an interesting new agenda for research into militarism and its geographies. It delineates the ways with which military activities creates spaces, places, environments and landscapes. It examines the environmental, cultural, economic and political dimensions of militarism through the lens of geography. The book is covering an aspect of militarism that has not attracted the proper attention and that is the reason why it must be considered as a certain read for anyone interested in broadening his or her horizons in the aforementioned issue.

**CEPA Expo 2013, 26-28 November, Prague Congress Centre, Prague, Czech Republic**

CEPA Expo's fourth annual summit will once again analyse the key issues in all the region's key markets and bring together the industry representatives.

[For Further Reading Click Here](#)

European Small Cells Summit 2013, 8-9 October, Prague, Czech Republic

ACI's European Small Cells Summit will analyse operator needs and sector trends in the Small Cells European market, looking at the existing service strategies in Europe and all over the world.

[For Further Reading Click Here](#)

European Base Oils & Lubricants Summit 2013, 18-19 September, Budapest, Hungary

Attracting over 500 attendees to London, Kraków & Prague since its inauguration in 2008, ACI's European Base Oils & Lubricants Summit has succeeded in bringing together the base oil manufacturers, additive suppliers, OEMs & lubricant blenders from across Europe to discuss the challenges & opportunities particular to the continent.

[For Further Reading Click Here](#)

3rd Annual Effective Plant Shutdowns & Turnarounds Forum 2013, 25-26 September, Warsaw, Poland

The 3rd Annual Effective Plant Shutdowns & Turnarounds Forum 2013 will once again address the key challenges of managing an effective plant shutdown or turnaround.

[For Further Reading Click Here](#)

RAE - RUSSIA ARMS EXPO 2013, EXHIBITION OF ARMS, MILITARY EQUIPMENT & AMMUNITION, September 25-28, Nizhny Tagil, Russia

September 25 – 28, 2013 RAE 2013 will bring together all major stakeholders in the field of global military cooperation for a series of insightful debates and vivid introductions of cutting-edge military equipment.

[For Further Reading Click Here](#)