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Lithuanian Defence Procurements



Lithuania defence policy is mainly guided by the assumption that the capabilities of the Lithuanian Armed Forces are developed so as to serve national defence needs and to ensure the implementation of international commitments. In order to achieve this, the country's authorities allocate a rather limited amount of money. According to Stockholm Peace Research Institute International (SIPRI) for 2012, Lithuania spent 1099 million US

dollars in constant 2011 prices whereas in 2008 this amount reached 1571 million a fact that delineates a sharp fall. Additionally, the defence budget, as a percentage of the national Gross Domestic Product (GDP) decreased by 1.4% of GDP that was in 2008 to 1% in 2012.

Military expenditure of Lithuania

	2008	2009	2010	2011	2012
In constant (2011) US\$ m	1571	1251	1068	1104	1099
As percentage of GDP	1.4	1.4	1.1	1.0	1.0

Source: SIPRI Publications

UK has a leading role in the Lithuanian armament imports. Apart from the European country, other important countries that exported arms to Lithuania, for the last five years are: Italy, Denmark, USA and Norway. Lithuanian armament imports were rather limited in their geographical preference as four out of the five first countries that exported arms to Lithuania based on the amount of funds allocated, were European.

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

	2008	2009	2010	2011	2012	Total
Denmark	8	8	8			24
Italy	14	14				28
Norway				1	0,5-1	1,5
UK			36	36		73
USA	4	4				8

Source: SIPRI Publications, Arms Transfers Database

Ships were the predominant area of imports for the period 2008-2012 with a total amount of 97 US\$ m. at constant (1990) prices. The 2nd most important sector was that of aircraft with 28 US\$ m. at constant (1990) prices whereas other areas such as armored vehicles and engines followed.

For the years to come the main priorities for the defence procurements of the country will be the following:

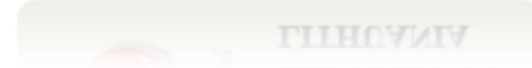
- Procurement of military equipment and development of the proper infrastructure that is essential in order to improve the system of airspace surveillance, control and defence and fully integrate it into the NATO airspace defence system (NATINADS);
- Procurement of military equipment, necessary for maintaining and developing (in line with abilities) command and control systems for all-levels;
- Procurement of technologies and equipment (including helicopters and a ship), necessary for exercising search and rescue tasks.

Kyriazis Vasileios,

Epicos Newsletter Head Editor



**MINISTRY OF
NATIONAL
DEFENCE
REPUBLIC OF
LITHUANIA**



According to the Lithuanian defence doctrine NATO and EU activities are seen as compatible and complementary, thus the country allocates and provides a single set of forces to both organizations. Through this process of participation the country is deliberately trying to implement its collective defense commitments by developing capabilities that strengthen the NATO alliance as a whole, to participate in international operations and missions and finally to implement confidence and security building measures and to participate in arms control regimes.

Participation in EU and NATO mission is an important chapter for the Lithuanian armed forces. It is indicative that in the process of enhancing national military capabilities a particular attention is paid to the development of combat capacity of the Lithuanian Armed Forces so as the army to be able to take part in multinational operations and conducting standby in the NATO Response Force (NRF) and the EU Battlegroups (BG), and rendering Host Nation Support (HNS).

Additionally, the country should be prepared to sustain approximately 10% of the land forces in international operations and approximately 50% of the land forces shall be prepared to be deployed outside the territory of Lithuania. Furthermore the country should be ready to commit to international operations led by NATO:

- up to one infantry battalion battle group;
- up to one Special Operations Forces squadron;
- one MCM ship;
- one light transport aircraft;

Finally the country should be ready to commit up to one company-size infantry unit (with combat support and combat service support elements) and combined specialized units to operations conducted by the EU.



Apart from participating in international missions the country has also the ambition to develop the national airspace surveillance, control and defence system and fully integrate it into NATO integrated air defence system (NATINADS), thereby ensuring airspace surveillance and defence. Therefore the country is deliberately trying to procure the appropriate military equipment and develop the infrastructure in order to improve its system of airspace surveillance, control and defence so as to be able to integrate it into the NATO airspace defence system (NATINADS).

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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Body and Chassis manufacturing using steel alloys technology for Light to Medium and Heavy (MRAP) Weight Armored Wheeled Vehicles



A company with long standing experience in manufacturing of metallic (high strength and stainless steel) components and parts for the automobile industry is willing to expand its activities in the manufacturing of Body & Chassis using steel alloys technology for a wide range of military vehicles, from Light to Medium Weight Armored Wheeled Vehicles up to heavy Mine Resistant Ambush Protected (MRAP) vehicles.

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

Mail at: g-menexis@epicos.com

Design and development of advanced Medium-Altitude, Long-Endurance (MALE) UAV systems for scientific applications using composite material technology



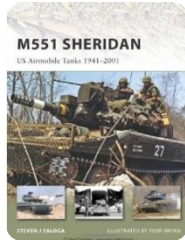
A company with extensive experience in providing state of the art technological services and products for the aeronautical sector is proposing, in the frame of an offset program, the collaboration with an Aerospace & Defense company or technological institute for the design, development and manufacturing of advanced Medium Altitude Long Endurance (MALE) Unmanned Aerial Vehicles (UAV) systems using composite material technology and which will be used for scientific applications.

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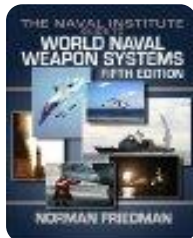


M551 Sheridan: US Airmobile Tanks 1941-2001, by Steven Zaloga (Author), Tony Bryan (Illustrator)



Steven Zaloga one of the world's foremost armour experts, is trying in this book to tell us the story of the US experience with airmobile tanks, starting with efforts in World War II, notably the M22 Locust airmobile tank. M551 Sheridan, The only airborne tank actually manufactured in significant numbers provides the focal point of this book, which actually highlights the difficulties of combining heavy firepower in a chassis light enough for airborne delivery. The book rounds out the story by examining attempts to replace the Sheridan with other armoured vehicles, such as the short-lived M8 MGS and Army LAV programs.

Naval Institute Guide to World Naval Weapon Systems, by Norman Friedman



Written by one of the world's leading naval analysts, World Naval Weapon Systems is recognised as one of the most comprehensive references on the domain of naval weapon systems. It describes the weapons currently in service in ships, submarines, and naval aircraft around the world and examines the crucial relationship between them. Additionally, it provides a thorough analysis of the development that the naval weapons have undergone in order to tackle with the strategic challenges that international naval forces are facing today. World Naval Weapon Systems is probably the most complete and up-to-date source about weapons in every navy in the world and it is an essential work that, in effect, can serve as a textbook of modern naval technology.



Japan's ANA plans to buy stake in Myanmar airline

Japan's All Nippon Airways (ANA) said Tuesday it would acquire a 49 percent stake in a Myanmar airline, the latest foray into the potentially lucrative Southeast Asian market that is rapidly opening up.

"ANA Group will invest \$25 million (2.5 billion yen) for AWA (Asian Wings Airways) as part of its stated strategy of expanding into new international markets," ANA Holdings -- the parent of one of Japan's major airlines -- said in a statement.

"As part of the investment, ANA will also work with AWA to improve its operational and on-time performance and support its expansion into markets outside Myanmar," the company said.

"The acquisition of the stake in AWA represents the first investment in a Myanmar-based commercial carrier by a foreign airline," it said.

"ANA intends to capture an increasing share of the fast-growing Asian airline market and this investment in AWA will support that strategic goal," it added.

Shares in ANA Holdings fell 0.47 percent to 208 yen on the Tokyo Stock Exchange Tuesday after reports of the deal. The formal announcement came after the Tokyo bourse closed, with the benchmark Nikkei index having shed 0.69 percent.

Asian Wings, based in the commercial hub of Yangon, operates domestic flights connecting 13 cities. It will begin an international service this October.

Source: 2013 AFP, Agence France-Presse (AFP)

Xiamen Airlines Finalizes Order for Six 787 Dreamliners

Boeing (NYSE: BA) and Xiamen Airlines have finalized an order for six 787-8s. Originally announced by Xiamen Airlines in May 2011, the order is valued at \$1.3 billion at list prices.

"Adding 787s to our all-Boeing fleet is a strategic decision to facilitate our international expansion plans," said Che Shanglun, president and CEO of Xiamen Airlines. "The range and efficiency of the 787 makes it an ideal fit in our new, non-stop international routes."

As China's only all-Boeing fleet carrier, Xiamen Airlines has earned a profit for 27 consecutive years, one of the most consistently successful financial performances in the industry.

"Xiamen Airlines has been a dedicated operator of Boeing airplanes since it was established. We are honored to have earned the trust and confidence that such a longstanding partnership requires," said Ihssane Mounir, vice president of Sales for Northeast Asia, Boeing Commercial Airplanes. "I believe the 787s will further strengthen Xiamen Airlines' network, providing their customers more travel options.

The airline's expanding international network currently focuses on southeast and northeast Asia. With the introduction of the 787 Dreamliners beginning in 2014, the airline plans to launch new long-haul routes from Fujian to Europe, North America and Australia.

Xiamen Airlines currently operates a fleet of 97 airplanes, including 17 737-700s, 74 737-800s and six 757-200s. The flight network is comprised of 218 domestic routes and 26 international and regional routes. The airline will take delivery of its 100th Boeing airplane in November 2013.

Founded in 1984, Xiamen Airlines is headquartered in the coastal city of Xiamen in the province of Fujian. The area boasts a thriving and diverse industrial economy as well as a growing tourism market.

Source: Epicos

Pentagon chief holds Indonesia talks amid Syria crisis

Defense Secretary Chuck Hagel held talks in Indonesia on Monday as part of a tour to bolster US ties with Southeast Asia but a confrontation with Syria threatened to overshadow the trip.

As part of a week-long tour of the region, Hagel met President Susilo Bambang Yudhoyono in Jakarta before scheduled discussions with his counterpart, Defence Minister Purnomo Yusgiantoro.

While the trip is meant to highlight Washington's strategic "pivot" to the Asia-Pacific after a decade of war, an escalating showdown with the Syrian regime over its suspected use of chemical weapons has demanded Hagel's attention since he arrived in the region last week.

With President Barack Obama weighing possible military action, Hagel has been taking part in White House crisis meetings via video link from his plane and hotel.

"I bring you greetings from President Obama," Hagel told Yudhoyono at the start of their meeting. Referring to Obama's upcoming visit to the Indonesian island of Bali for the Asia-Pacific Economic Cooperation (APEC) meeting, Hagel said the US president was "looking forward to seeing you in October".

He added that Washington was committed to "deepening and strengthening" ties between the two countries.

Obama spent part of his childhood in Indonesia and has called for improved ties with the world's most populous Muslim-majority country, which has embraced democracy since the downfall of dictator Suharto in 1998.

The United States has gradually expanded cooperation with Indonesia's military despite concerns about the human rights record of its special forces.

US officials say the country's military has improved its rights record and that Washington has an interest in expanding cooperation on counter-terrorism as Indonesia takes on radical Islamic groups.

The US tilt to Asia is driven in part by the region's growing economic importance and concerns over China's expanding military might.

But upheaval in the Middle East often competes for attention and resources, and some critics have questioned whether the Asia "pivot" is merely rhetoric.

After Jakarta, Hagel heads to Brunei on Tuesday for a regional defence gathering that will include China. On Thursday he flies to the Philippines on his final stop.

Source: 2013 AFP, Agence France-Presse (AFP)

Japan could be 'main player' in Asia conflict

Japan could be a key participant if conflict breaks out in Asia, the defence minister said Monday, warning China is seeking to exploit difficulties between allies.

The comments by Itsuno Onodera, who said Japan needs new equipment and must reconfigure its defence, come as Tokyo is embroiled in an ongoing spat with Beijing over disputed territory that has sparked warnings of a possible armed skirmish.

"The crisis that Japan faces now may lead to situations in which the country may have to be involved as a main player," Onodera told a symposium in the capital.

"Before, it was expected that Japan would only be part of a group (involved in any confrontation)," he said, in apparent reference to the US-Japan security alliance.

"Or that a conflict might occur only in areas surrounding the country," he said.

"Japan's defence has been designed for that scenario.

"But Japan (now) needs to have a good defence to protect the country, which can mean equipment, new aircraft, defence systems or cyber protection."

Onodera said Tokyo needed to be wary of China's maritime expansion in the South and East China Sea.

"China has made more and more advancement into the seas," he said.

"When it did not have as much military capability, China tried to promote dialogue and economic cooperation, setting territorial rows aside.

"But when it sees a chance, any daylight between a nation and its ally, it makes blunt advancements. This is what is happening and what we should learn from the situation in Southeast Asia."

Onodera's speech came as he readied to head to Brunei to participate in the ASEAN Defence Ministers' Meeting Plus (ADMM+) starting on Wednesday.

The group gathers defence ministers from Southeast Asian nations and eight other regional powers -- Japan, China, South Korea, the US, Russia, India, Australia and New Zealand.

Onodera said he will "repeatedly explain Japan's position to his Asian counterparts" and that Tokyo's motives were entirely defensive.

Hawkish Prime Minister Shinzo Abe this year boosted Japan's defence budget for the first time in over a decade against the backdrop of growing concerns among many countries in the region about China.

But any move to strengthen military capabilities rouses hostility and suspicion in the region, much of which laboured under the brutal yoke of Japanese occupation until the end of World War II.

Since coming to power in December Abe has repeatedly made noises about altering Japan's pacifist constitution, which bars the country from offensive action.

The defence ministry last month published a paper saying Japan needed amphibious units and surveillance drones to protect its outlying islands.

Japan's moves come against a backdrop of increasing Chinese activity in waters far from its mainland coast.

The two countries have spent the last year involved in a dispute over the sovereignty of the Japanese-administered Senkaku islands in the East China Sea, which Beijing claims as the Diaoyus.

Vessels and planes from both sides have played cat and mouse in their seas, with some observers warning a slip from either nation could provoke a military confrontation, with possibly wide-ranging ramifications.

On Monday, Tokyo scrambled fighter jets after a Chinese government plane approached airspace Japan claims as its own.

Source: 2013 AFP, Agence France-Presse (AFP)

China Southern posts 19% drop in first-half net profit

China Southern Airlines said Monday net profit for the first half of 2013 was down 19 percent from a year earlier due to a slowdown in domestic demand.

Net profit ending June 30 was 344 million yuan (\$55.8 million), down from 424 million yuan last year and lower than a forecast by six analysts cited by Dow Jones Newswires of 405 million yuan.

The Guangzhou-based carrier's revenue fell 1.6 percent to 46.21 billion yuan from 46.95 billion despite an increase of 6.3 percent in total passengers carried to 43.80 million.

The company cited a slow-down in demand for air travel, as well as increasing competition from carriers and high-speed rail for the drops.

The firm, which is listed in both Shanghai and Hong Kong, closed up 0.69 percent at HK\$2.92 on the Hang Seng Index before the report was released.

Source: 2013 AFP, Agence France-Presse (AFP)