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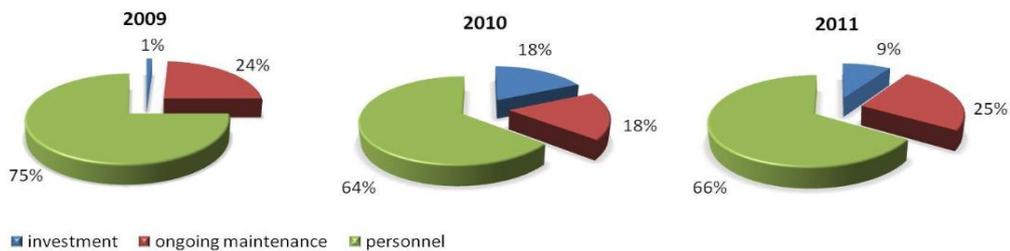
*Bulgarian Defence Budget*



The major aim of the Bulgarian authorities is to build by 2014 a single set of interoperable Armed Forces, capable of fulfilling the whole range of tasks, under a single C2 system both for peacetime and in times of crises, with adequate organization, size, armaments, equipment and training. In order to fulfill this goal the Bulgarian Ministry of Defence

is trying to properly allocate the resources it has and for this is deliberately delineating the internal distribution of costs to the goal set in the White Paper—balanced budget and distribution ratio of 60%:25%:15%. As a result of this process, the percentage of the expenditures for personnel in the defence budgets in 2010 and 2011 have decreased, compared to 2009.

Additionally, as it is clearly illustrated in the pie-charts below the relative share of operations and maintenance expenditures including training has increased, as has increased the relative share of expenditures related to investment. The twofold investment expenditures figure in 2010 (18%) compared to 2011 (9%) was due to the additionally allocated funds for payments to old acquisition contracts.



With the amount of money spend on investment; Bulgaria procured a variety of equipment. Belgium has a leading role in the Bulgarian armament imports. Apart from the European country, other important countries that export arms to Bulgaria for the five last years, are France, Israel, Italy and United States.

	2008	2009	2010	2011	2012	Total
Belgium	80	102				182
France	15	15	7	7	3	46
Israel	0	3	0			4
Italy	14			14		28
United States	6			4		10
<b>Total</b>	<b>115</b>	<b>119</b>	<b>8</b>	<b>25</b>	<b>3</b>	<b>270</b>

Ships were the predominant area of imports for the same period with a total amount of 182 US\$ m. at constant (1990) prices. The 2<sup>nd</sup> most important sector was that of aircraft with 74 US\$ m. at constant (1990) prices whereas other areas such as armored vehicles and engines follow.

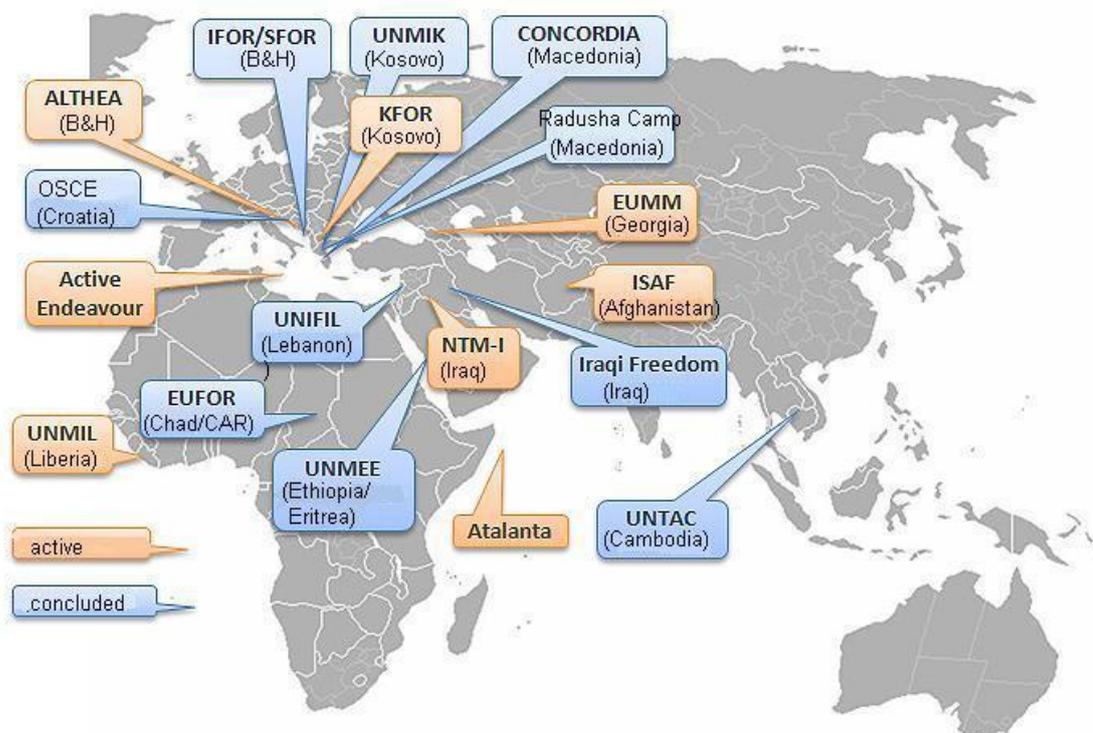
Kyriazis Vasileios,

Epicos Newsletter Head Editor

**Bulgaria: Participation in International Missions**

Legal basis for the participation of Bulgarian Armed Forces in Allied and Coalition Operations is provided by Art. 84, Item 11 of the Constitution of the Republic of Bulgaria,

pursuant to which deployment of armed forces outside the country's borders is only possible upon approval by the National Assembly on a motion from the Council of Ministers. This means that for every instance of such participation in PKO a case-by-case decision is required. This actually delineates that Bulgarian authorities is to pursue an active policy aimed at strengthening the position of the Republic of Bulgaria as an international player and a reliable ally and partner of NATO and the EU.



Currently the Bulgarian army is active in 8 international missions as it is depicted in the map above.

Bulgaria is participating in the ISAF mission in Afghanistan since 2002. The National Assembly of the Republic of Bulgaria put to the vote a motion for the participation of a Bulgarian contingent under ISAF and on 21 January 2002 the Council of Ministers assigned a Bulgarian Armed Forces unit for participation in ISAF.

Additionally, Bulgaria participates since 2000 in the KFOR and UNMIK missions in Kosovo. Currently, the country's contribution to KFOR is represented by 10 military personnel at the headquarters of the mission.

Furthermore, since 1997 Bulgaria participates in international missions in Bosnia and Herzegovina (SFOR/ALTHEA). Currently, the Bulgarian Armed Forces participate in Operation

ALTHEA with a 120 - strong contingent, comprising a light infantry company protecting the Headquarters of the Operation; a National Support Element; a Liaison and Observation Team (LOT); and staff officers at the Operation Headquarters.

Since 2005, Bulgaria has been providing support for Operation Active Endeavour, directly contributing by annually providing a frigate with a crew of roughly 110 men to participate in the operation for a month, as well as a task force of the special maritime vessel inspection team.

Finally, Bulgaria participates in the European Union Monitoring Mission in Georgia (EUMM Georgia) with 12 personnel deployed to Tbilisi, Gori and Zugdidi.

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](#)

**Deployment of end to end WiMax and backhaul networks for wide area networks**

A leading company in the design, development and production of networking infrastructure solutions for carrier and service provider networks, is proposing the deployment of WiMax (Worldwide Interoperability for Microwave Access) networks including all components (CPE, base stations, ASN gateways and backhaul solutions). In the frame of this project, the associated company shall act as a partner in the production and integration of a WiMax

Network solution to be used in enhancing an existing Network or in building a new one. Alternatively, the company in question can optimize the proposed system to be used in a turn-key or newly build Network project in order to provide the associated enhanced capabilities.

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

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**Adaptation of a generic Data Retrieval Unit to support specific modern Jet Engine equipped with monitoring system**

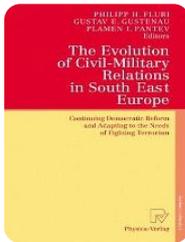
A leading company in the design and production of various engine component test stands and health monitoring systems is proposing the adaptation (including necessary hardware and software tools) of an existing Data Retrieval Unit specially designed for F100-PW-220/229, F110-GE-129 and T700-GE-701C type of engines, in order to perform the required health monitoring and testing procedures for an alternative modern civil or military jet engine defined by any likewise interested Prime.

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

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**The Evolution of Civil-Military Relations in South East Europe: Continuing Democratic Reform and Adapting to the Needs of Fighting Terrorism, by Philipp H. Fluri, Gustav E. Gustenau, Plamen I. Pantev**



As in the rest of the world, September 11<sup>th</sup> and its global consequences have triggered an intensive security- political debate in the European Union, the effects of which became noticeable in the field of the reform of the security sector. Although there was considerable awareness for the dangers of terrorisms even before the devastating attacks in the United States, after 9/11 the “war of terrorism” was rapidly turned into the central security- political issue and found entrance into all strategic documents and policy and military planning scenarios. This book, authored by a multi-national team, draws a complicated, yet logically evolving picture of the problems in the security sector reform field of South-East Europe, examining the post-totalitarian and post-conflict challenges to be faced.

**Successful Industry Building in Transition Countries: Foreign Direct Investment or Local Effort? Software Industries of Bulgaria, Estonia, and Romania, by Mancheva Svetla**



The work examines the grounds for successful industry development in transition economies, focusing on the two types of ownership: foreign and domestic. The distinction is thus made between industries that are predominantly based on foreign direct investment or on local entrepreneurship, with the aim of establishing which of these contributes more to the development of the local economy and human capital. The method of analysis focuses on case studies of the software industry in three transition countries - Bulgaria, Estonia and Romania, representing different variations of the types of industry ownership. For the purpose of establishing the most successfully developed industry, four factors /groups of factors are analyzed: industry size; production linkages and knowledge transfer; specialization, value-added and innovation; and employment conditions.



### 'International pressure worked' on Syria: France

French Defence Minister Jean-Yves Le Drian said Tuesday that international pressure had worked after a plan emerged to head off punitive US air strikes on Syria by destroying the regime's chemical weapons.

"It's an opening. It must be seized upon and Bashar al-Assad's regime must formally respond and firmly engage to it, and it must be implemented quickly," Le Drian said.

"The international pressure worked," he said. "If there had not been pressure from France and the United States to... oppose the use of weapons of mass destruction, there would not have been this reaction.

"If there had not been such determination, Russia would not have budged," Le Drian said. "We are absolutely not easing up on the pressure."

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

### Boeing Forecasts China's Fleet to Triple Over Next 20 Years

Boeing, China's leading provider of passenger airplanes, projects a demand for 5,580 new airplanes in China over the next 20 years valued at \$780 billion. The company's annual China Current Market Outlook forecasts the country's fleet to triple in size over the next two decades.

"Thanks to strong economic growth and increased access to air travel, we project China traffic to grow at nearly 7 percent each year," said Randy Tinseth, vice president of Marketing, Boeing Commercial Airplanes. "China is a key market for Boeing. Our current and future products will allow our customers to meet the growing demand with the most efficient airplanes."

[For Further Information Click Here](#)

**Source:** Epicos, Boeing

### Malaysia Airlines, AirAsia fined over tie-up

Malaysian authorities on Friday fined Malaysia Airlines and AirAsia for anti-competitive conduct during a short-lived tie-up. The Malaysia Competition Commission (MyCC) said in a statement that the country's two dominant carriers would each have to pay a 10 million

ringgit (\$3 million) penalty for collaborating to integrate some routes in which they had earlier competed.

"When businesses agree to share markets, they are agreeing to stop competing, at the expense of the consumers," said commission chairman Siti Norma Yaakob.

AirAsia, the region's largest budget airline, agreed in August 2011 to hand over a 10 percent holding to a state investment fund in exchange for a 20.5 percent stake in the ailing flag-carrier Malaysia Airlines.

The deal was aimed in part at eliminating mutually harmful competition on some routes.

But it was unwound just eight months later following pressure from Malaysia Airlines' powerful employees union, which feared it could result in possible job losses and other cost-cutting at the national carrier.

Both airlines recorded profits in the second half of 2012. Malaysia Airlines, however, has been in the red this year while AirAsia has seen sharply lower profits.

MyCC said the penalties were decided based on revenue earned between January to April 2012 on four routes and that it equalled less than 10 percent of their respective worldwide turnovers.

Both parties have 30 days to respond to the decision.

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

### **BAE Systems and DCNS to cooperate on Astute-class submarine programme**

DCNS has signed a contract with BAE Systems to supply four high-efficiency heat exchangers for boats 6 and 7 of the Royal Navy's Astute-class nuclear-powered attack submarine programme. DCNS has been a preferred supplier of BAE Systems on the Astute programme since 2001. This latest contract makes the Group the sole supplier of heat exchangers for the United Kingdom's latest generation of nuclear-powered submarines. The Royal Navy took delivery of the second Astute-class boat earlier this year.

The design and construction of these heat exchangers is based on advanced technologies and expertise acquired through the Group's involvement in a number of conventional and nuclear-powered submarine programmes. Over the years, the Group has delivered more than 500 heat exchangers, including 170 for conventional and nuclear-powered submarines operated by 10 navies, developing specific expertise in the relevant areas of mechanical and thermal engineering. Teams are currently working on a pair of units for Astute-class boat

no. 5 and will soon begin work on the last four exchangers, the last heat exchanger being scheduled for delivery in mid-2016.

Equipment tailored to need

DCNS engineers have applied their experience in high-pressure equipment to ensure that these custom-designed products meet demanding requirements as regards durability, thermal efficiency and acoustic discretion. This strategically important system is used to cool the submarine and is designed for greater compactness and easier integration.

Optimising product design and delivery

DCNS is a key Royal Navy equipment supplier with a track record that includes turbo-alternator sets for Type 45 destroyers, heat exchangers for SSNs and Sylver vertical missile launchers. The Group is recognised for its adaptability and potential for innovation as well as its capacity to optimise design specifications to meet the exact requirements of next-generation warships.

DCNS: Sea the Future

DCNS believes that the sea is central to our planet's future. DCNS is inventing high-tech solutions to sustainably secure and develop its potential. DCNS is a world leader in naval defence and an innovative player in energy. The Group's success as an advanced technology company with global reach is built on meeting customer needs by deploying exceptional know-how and unique industrial resources. DCNS designs, builds and supports submarines and surface combatants. It also proposes services for naval shipyards and bases. The Group has also expanded its focus into civil nuclear engineering and marine renewable energy. DCNS is committed to sustainable development and was one of the first defence contractors to win Group-wide certification to ISO 14001. The DCNS Group employs 13,200 people and generates annual revenues of €2.9 billion. [www.dcnsgroup.com](http://www.dcnsgroup.com)

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[www.blooplanet.com](http://www.blooplanet.com)

**Source:** Epicos, DCNS

## **INTRACOM Defense Electronics Successfully Completes the First Delivery of a PATRIOT Major Subsystem**

Koropi, 09 September, 2013: In the frame of international air defense programs, the First Article Inspection (FAI) of the Patriot legacy Antenna Mast Group (AMG) was performed and successfully completed by Raytheon, with the presence of US Government representatives, at INTRACOM Defense Electronics (IDE) premises in Koropi, Attica, Greece.

The AMG, a Patriot major subsystem, is a mobile antenna mast system used to establish communications between Patriot end items. Within IDE's scope was significant engineering design effort to ensure the producibility and the life cycle support of the legacy AMG. For the manufacturing of the AMGs, IDE has been awarded contracts worth of approximately \$ 51 mil.

After this successful milestone, IDE is a certified supplier of this major Patriot subsystem which also ensures worldwide support of the legacy AMG in operational use. This approval validates IDE's high level of engineering capabilities, commitment, readiness and professionalism, as well as adequacy and suitability of the used processes and procedures in reaching the performance requirements inherent in the design of complex defense systems. In parallel, this significant milestone's successful completion, also confirms the competitiveness and capabilities of the Hellenic Defense Industry, since a number of local companies were involved as IDE's subcontractors in this program.

### About INTRACOM Defense Electronics

INTRACOM Defense Electronics (IDE), Greece's largest defense electronics systems provider, is a subsidiary of Intracom Holdings, one of the largest multinational technology groups in Greece. IDE possesses unique know-how in design, development and manufacturing of products that incorporate state-of-the-art technology in tactical military communication systems, encryption devices, command, control and communication systems (C<sup>3</sup>I), missile electronic components, software for military applications, simulators, and testing equipment.

IDE participates in international development and production programmes, as well as in international cooperations for the production and export of defense equipment and is a registered member on NATO's vendors list. The Company's products and services are deployed in Belgium, Cyprus, England, France, Germany, the Netherlands, Spain, Sweden and the USA.

For more information please visit: [www.intracomdefense.com](http://www.intracomdefense.com)