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Lithuanian Defence Budget



The Lithuanian defence policy is mainly guided by the assumption that the capabilities of its Armed Forces are developed so as to serve national defence needs and to ensure the implementation of international commitments. Therefore, the country's defence policy is an integral part of the National Security Policy aimed at the development (formation) of the international security environment at the same time contributing to the international stability

and peace, and formation of the national defence capability to ensure both - deterrence from an armed attack, and reliable defence in case of armed aggression. In line with these priorities, Lithuania is planning to spend €425 million Euros for defence in 2015.

According to official estimations the €425 million Euros will be distributed as following:

- ✓ For personnel – EUR €195.8m (46.1 %)
- ✓ For assets maintenance – EUR €92.9 m (21.8 %)
- ✓ For participation in multinational operations (PMO) – EUR €57.2 m (6.2 %)
- ✓ For weapons and military equipment – EUR €45.7 m (10.8 %)
- ✓ For investment and other acquisitions – EUR €71.2 m (16.7 %)
- ✓ For military pensions – EUR €9.6 m (2.3 %)
- ✓ Emergency stocks – EUR €1.4 m (0.3 %)
- ✓ For subsidizing municipalities – EUR €0.5 m (0.1 %)

The main priority of the draft defence budget in 2015 is to focus on modernization projects of the Lithuanian Armed Forces concerning:

- ✓ Enhancement of combat power of the Lithuanian Armed Forces;
- ✓ Development of combat support capabilities of the Lithuanian Armed Forces;
- ✓ Development of combat training of the Lithuanian Armed Forces and Host Nation Support capabilities.

Kyriazis Vasileios,

Epicos Newsletter Head Editor

Lithuania: International Cooperation, NATO and EU



Lithuania seeks stability and openness in bilateral relations with neighbor states. Additionally, as it is stated in the Constitution, one of the main targets of the country's authorities is "to guarantee the security and independence of the country, welfare of the citizens and their fundamental rights and liberties". Finally, the Lithuanian authorities

have stated that one of the primary interests of the national security is to be active in the safeguarding of international security and stability". Under this notion, the country is taking part in international missions organized by NATO and EU and actively develops defence and military cooperation with neighbor countries.

One of the last contributions of Lithuania in EU international missions was that of an Autonomous Vessel Protection Detachment (AVPD) to the European Union-led counter-piracy EU NAVFOR - Operation ATALANTA, off the coast of Somalia. The AVPD formed by the Lithuanian Navy will for four months (August-December) protect a World Food Programme-chartered vessel carrying humanitarian aid to Somalia via the Indian Ocean. The AVPD comprises of 16 soldiers serving the Lithuanian Navy and which they have been trained specifically for that type of mission.

The unit also includes two military medics. The Lithuanian military is deployed with its own weaponry and equipment. The AVPD is led by Captain (Navy) Mindaugas Žukas serving with the Lithuanian Navy.

Lithuania takes part in several other EU-led operations apart from Operation ATALANTA thus contributing to the EU Common Security and Defence Policy (CSDP) and its implementation.

From spring 2013 Lithuanian military instructors have been deployed to the EU training mission in Mali (EUTM Mali) to provide training for Malian military. Lithuania also supports the anti-migrant smuggling operation, EUNAVFOR MED, the European Union activated in June to disrupt illegal networks of human trafficking by commissioning a staff officer to the operational headquarters in Rome, Italy.

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. Under this notion in 2014 the Lithuanian Armed Forces decided to acquire three long range radars. The new equipment will correspond to national and NATO standards.

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](#)

Cable harnessing for military, aeronautical and space applications



A company with long standing experience in the field of cabling for industrial and communication purposes is willing to expand the activities in the field of specialized cabling for military and aerospace applications.

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

Mail at: g-menexis@epicos.com

Development of a ballistic protection system for re-locatable modular buildings



A company providing innovative solutions and services for temporary and permanent needs in terms of modular buildings, flooring and infrastructure, is interested in developing a ballistic protection system for its modular buildings. Applied throughout the world, the company's proven products are fully re-locatable, environmentally friendly, time saving and cost effective. Based on its existing range of products, the company is seeking potential partners for the development of a ballistic protection system which can be used/combined with its existing modular buildings.

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

Mail at: g-menexis@epicos.com

**Harris Corporation Receives \$21 Million Order from Central Asian Nation for Falcon III Tactical Radios**

Harris Corporation has received a \$21 million order from a nation in Central Asia to supply the latest generation of the Harris Falcon III® RF-7800W Multimission High-Capacity Line-of-

Sight tactical radios. Harris RF-7800W radios provide secure broadband communications, including Voice over Internet Protocol, real-time video and teleconferencing. They enable greatly extended local- and wide-area networks by providing high-capacity, long-range connectivity. The newest generation of the RF-7800W brings added capabilities, including increased throughput up to 428 Mbps.

"The Harris RF-7800W's encrypted, high-bandwidth transmission supports both point-to-point and point-to-multipoint applications, enabling high-speed connectivity with remote installations in harsh environments," said Brendan O'Connell, president, Tactical Communications, Harris Communication Systems. "This order expands the customer's current inventory of RF-7800W radios and represents the largest award to date for the new-generation RF-7800W."

About Harris Corporation

Harris provides advanced, technology-based solutions that solve government and commercial customers' mission-critical challenges. The company has approximately \$8 billion in annual revenue and about 23,000 employees — including 9,000 engineers and scientists — supporting customers in more than 125 countries. Learn more at harris.com.

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Dassault Aviation delivers first Rafales to the Arab Republic of Egypt



The official ceremony marking the acceptance by the Arab Republic of Egypt of its first three Rafales was held today at the Dassault Aviation flight test center in Istres, under the patronage of His Excellency Mr. Ehab Badawy, Egyptian Ambassador to France, and in the presence of Dassault Aviation Chairman & CEO Eric Trappier. This first delivery comes just five months after the Egyptian decision to acquire 24 Rafales (16 two-seaters and 8 single-seaters) in order to equip its Air Force with a latest-generation multirole fighter capable of meeting the country's operational requirements and enabling Egypt, with full sovereignty, to secure its geostrategic position in the region.

At the same time, an initial group of Egyptian users has been trained in France. Egyptian pilots, trained by the French Air Force, will fly the first three Rafales to Cairo on the day after the ceremony.

Eric Trappier declared: "This contract constitutes a new milestone in the cooperation between Dassault Aviation and Egypt since the 1970s – more than 40 years of an exemplary partnership marked by commitment and mutual trust. After the Mirage 5, the Alpha Jet and the Mirage 2000, the Rafale is the fourth Dassault aircraft to fly in Egyptian colors, and Egypt is the first export customer for the Rafale, as it was for the Mirage 2000. We are very pleased with this partnership, which over time has shown its solidity and ensured the durability of the historical links between our two countries. On behalf of Dassault Aviation and its 8,000 employees, its partners Thales and Snecma and the 500 subcontractors, I thank the Egyptian authorities, for the trust they have placed in us once again, and also the authorities and the French armed forces, without whose support this success would not have been possible."

About Dassault Aviation

With more than 8,000 military and civil aircraft delivered to 90 countries over the past 60 years, and having logged nearly 28 million flight hours to date, Dassault Aviation can offer recognized know-how and experience in the design, development, sale and support of all types of aircraft, from the Rafale fighter to the Falcon range of high-end business jets, as well as military unmanned air systems. In 2014, the Dassault Aviation Group reported revenues of €3.68 billion.

www.dassault-aviation.com

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China's Spring to buy 21 Airbus planes for \$2.04 bn

Chinese budget carrier Spring Airlines said it plans to buy 21 Airbus A320 planes for 12.45 billion yuan (\$2.04 billion), citing growth in both international and domestic air travel.

The Shanghai-listed company intends to fund the purchase in part through a private placement of shares to raise 4.5 billion yuan, according to a statement to the exchange late Monday.

The single-aisle A320 has a list price of \$97 million, according to Airbus.

"Demand in China's domestic and international aviation market is steadily increasing," Spring said in the statement. "The company intends to reasonably expand the scale of its fleet to increase its air transport capacity."

Spring Airlines, headquartered in the Chinese commercial hub of Shanghai, was founded in 2005 and now flies more than 90 domestic and international routes, according to its website.

Spring's shares, which had been suspended since June 26 owing to a rout on China's stock market, closed up 3.21 percent on Tuesday, reversing a 10 percent plunge in early trading.

The company's net profit for the first quarter this year jumped 46.43 percent year-on-year to 254.32 million yuan. China, the world's second-largest economy, is already Asia's biggest aircraft buyer as a growing middle class takes to the skies in ever-increasing numbers.

Last year, US aircraft giant Boeing forecast Chinese carriers will need nearly 6,000 new planes valued at \$780 billion over the next 20 years, accounting for around 16 percent of world demand and nearly half of Asia's.

But China hopes part of its vast aircraft market will go to a homegrown passenger plane -- the 168-seat C919 -- in a challenge to the global dominance of Boeing and Airbus.

Chinese economic growth is also slowing and expected to soften further in coming years -- a trend industry officials say could put a dent in air travel.

China's gross domestic product expanded 7.4 percent last year, the slowest since 1990. The country's GDP grew 7.0 percent year-on-year in the second quarter, matching the 7.0 percent expansion in the first three months of this year.

Source: 2015 AFP, Agence France-Presse (AFP)

Philippines hikes defence budget 25% amid China tensions

The Philippines is planning a 25 percent hike in its defence budget next year, mainly to bolster its claims in the disputed South China Sea, officials said Tuesday.

The proposed 2016 national budget, which President Benigno Aquino is to present to parliament for approval on Monday, would reserve a record 25 billion pesos (\$552 million) for defence spending.

Funds would be used to acquire navy frigates and patrol aircraft, budget and defence officials told AFP.

"We need to protect what is clearly within our territorial jurisdiction," Budget Secretary Florencio Abad said, when asked if the increase was due to the Philippines' maritime row with China.

"Certainly, we need to at least be able to effectively monitor the developments in the area, particularly those in disputed zones," he added.

Under the three-trillion-peso budget bill, defence spending would be up from a 20-billion-peso military budget last year and five times bigger than in 2013, the officials said.

The proposed 2016 defence budget is part of a five-year, 75-billion-peso military modernisation programme approved by Aquino in 2013, Abad said.

The amount would still be dwarfed by China, which claims most of the South China Sea including areas close to the shores of its Asian neighbours.

Beijing budgeted \$142.9 billion for its military this year.

- Modernisation catch-up -

One of the region's most poorly equipped, the Philippine military relies on half-century old ships and aircraft keeping watch over the South China Sea, where tensions have flared recently.

The Philippines is catching up on military modernisation after spending was held back to just five billion pesos in 2013 as the government shifted resources to recovery from Super Typhoon Haiyan, which struck the country that year leaving 7,350 people dead or missing.

The Philippine military's mission to protect the country's territory is complicated by long-running communist and Muslim insurgencies that forces it to devote troops and equipment for internal security.

While China has gone on an island-building frenzy to reinforce its claims on South China Sea reefs and waters, the Philippines has set repairs on a crumbling World War II ship that serves as its lonely outpost there.

The BRP Sierra Madre, emblematic of the Philippine military, was deliberately grounded on Second Thomas Shoal in 1995 in a desperate move to check China's advance in the Spratly islands.

The South China Sea chain is also disputed in whole or in part by Brunei, Malaysia, Taiwan and Vietnam.

"This budget will allow us more latitude in acquiring new assets for the Armed Forces of the Philippines," defence department spokesman Arsenio Andolong said.

"We are pushing hard on modernisation and we will need all the help we can get.... This includes the purchase of frigates and patrol aircraft."

Two of 12 fighter jets that the Philippines had bought from South Korea are expected to be delivered as early as November, he said.

A United Nations-backed tribunal is expected to decide in months whether it has jurisdiction over a Philippine petition to declare China's claims as illegal.

Beijing has refused to cooperate in the arbitration proceedings.

Source: 2015 AFP, Agence France-Presse (AFP)

Boeing Forecasts Rising Demand for Commercial Airline Pilots, Technicians

Boeing today released a new forecast showing continued strong demand for commercial airline pilots and maintenance technicians as the world's airlines add 38,000 airplanes to the global fleet over the next 20 years.

Boeing's 2015 Pilot and Technician Outlook projects that between 2015 and 2034, the world will require 558,000 new commercial airline pilots and 609,000 new commercial airline maintenance technicians.

"To help address this need, Boeing trained last year a record number of pilots and technicians at 17 training campuses around the globe and has invested in a comprehensive Pilot Development Program to train early stage pilots to become qualified commercial airline pilots," said Sherry Carbary, vice president, Boeing Flight Services. "We will continue to

increase the amount of training we provide, enabling our customers to satisfy the world's growing appetite for air travel."

"The challenge of meeting the global demand for airline professionals will not be solved by one company alone," Carbary added. "Aircraft manufacturers, airlines, training equipment manufacturers, training delivery organizations, regulatory agencies and educational institutions are all stepping up to meet the increasing need to train and certify pilots and technicians."

Boeing's 2015 Outlook projects continued increases in pilot demand, up more than 4 percent compared to the 2014 Outlook. For maintenance technicians, demand increased approximately 5 percent.

Overall global demand for these skilled resources will be driven by continued economic expansion, resulting in an average requirement for about 28,000 new pilots and more than 30,000 new technicians every year.

The 20-year projected demand for new pilots and technicians by region is:

- Asia Pacific – 226,000 pilots and 238,000 technicians
- Europe – 95,000 pilots and 101,000 technicians
- North America – 95,000 pilots and 113,000 technicians
- Latin America – 47,000 pilots and 47,000 technicians
- Middle East – 60,000 pilots and 66,000 technicians
- Africa – 18,000 pilots and 22,000 technicians
- Russia / CIS – 17,000 pilots and 22,000 technicians

The Pilot and Technician Outlook is Boeing's long-term forecast of the demand for pilots and technicians and its estimate of personnel needed to fly and maintain the tens of thousands of new commercial jetliners expected to be produced over the next 20 years. The forecast is published annually to factor in changing market forces affecting the industry. Boeing shares the outlook with the public to inform airlines, suppliers and the financial community of trends in the industry.

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Source: Epicos, Boeing

Boeing, EVA Air Finalize Order for Five 777 Freighters

Boeing and EVA Air have finalized an order for five 777 Freighters. The order, valued at more than \$1.5 billion at list prices, will represent the first 777 Freighters to join EVA Air's fleet, and the first to be delivered to a Taiwanese airline.

Boeing first announced EVA Air's intent to order the five 777 Freighters at the 2015 Paris Air Show last month. "Airfreight is an important link in global trade," EVA Air Chairman K.W. Chang said. "We are investing in the most advanced aircraft and committing ourselves to continuing to ensure efficient, reliable service. Quality service and flight safety are our top priorities at EVA and we apply the same high standards to cargo services. We are determined to make EVA the world's best airline for both passenger and cargo services."

The Taiwanese airline plans to use the new freighters to bolster its fleet on trans-Pacific and Asian routes in an effort to meet growing demand in the air cargo market.

"As EVA Air continues to modernize their world-class freighter fleet, we are honored that they have selected the 777 Freighter to maintain their position as one of the largest cargo airlines," said Boeing Commercial Airplanes President and CEO Ray Conner. "This order further validates the strength of the long-term partnership between EVA Air and Boeing over the last several decades."

EVA Air currently operates more than 35 Boeing airplanes, including 20 777-300ERs. With 13 additional 777-300ERs on order – both direct purchased and leased – EVA will become one of the largest 777 operators in the world. The carrier plans to grow its operational twin-aisle fleet to more than 60 airplanes by the end of 2025.

"We are pleased to be the first airline in Taiwan to introduce Boeing 777 freighters," EVA President Austin Cheng said in his remarks. "EVA participated in development of the Boeing 777-300ER and became a launch customer. We now fly 21 Boeing 777-300ERs and have 13 more on order. We have made the right choice as our experience with this aircraft's advanced technology and excellent performance indicates what we can expect from the Boeing 777 freighters. These freighters will be the backbone of our air cargo service for the next decade."

The 777 Freighter is the world's largest and longest range twin-engine freighter, capable of flying 4,900 nautical miles (9,070 kilometers) with a full payload at general cargo market densities. The airplane's range capability translates into significant savings for cargo operators: fewer stops and associated landing fees, less congestion at transfer hubs, lower cargo handling costs and shorter cargo delivery times.

According to the Boeing World Air Cargo Forecast, global air freight traffic is forecast to grow at an annual rate of 4.7 percent, doubling the cargo traffic over the next 20 years.

Boeing is the undisputed air cargo market leader, providing over 90 percent of the total worldwide dedicated freighter capacity.

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Source: Epicos, Boeing

General Dynamics Awarded Contracts Totaling \$126 Million for Hydra-70 Rocket Program

General Dynamics Ordnance and Tactical Systems, a business unit of General Dynamics, was recently awarded two contract modifications by the U.S. Army Contracting Command in Redstone Arsenal, Ala., for production of the 2.75"/70mm Hydra-70 air-to-ground rocket system for U.S. military services and Foreign Military Sales customers. Both options exercised are part of a supplies contract originally awarded to General Dynamics in 2014.

Hydra-70 is a family of unguided rockets offering several warhead configurations that enable an aircrew to match the rocket to the specific mission. Rockets can be fired from a variety of rotary and fixed-wing platforms, including the U.S. Army Apache and U.S. Marine Corps Cobra attack helicopters, the U.S. Air Force F-16 Fighting Falcon and combat aircraft of many nations worldwide.

"General Dynamics has been in continuous production of Hydra-70 rockets since 1996," said Dan Paul, vice president and general manager for precision systems, General Dynamics Ordnance and Tactical Systems. "Our Hydra-70 rockets provide the warfighter with firepower that is versatile, affordable and reliable in multiple combat roles. We look forward to the continuation of our strong partnership with the U.S. military and its allies."

More information on General Dynamics Ordnance and Tactical Systems is available at www.gd-ots.com.

More information about General Dynamics is available at www.generaldynamics.com

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Source: Epicos, General Dynamics