



Arab Defense Industry Papers News Bulletin

Volume 3, Number 5

7 June 2018

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The Big Picture

Egypt

Trend News Agency, 14 May 2018. "Military cooperation between Moscow and Cairo has been expanding, Russia's Acting Defense Minister Army General Sergei Shoigu said at a meeting with Egyptian Defense Minister Sedki Sobh (on 14 May 2018). 'We are pleased to see Egypt's intention to provide modern Russian-made weapons and military equipment to its armed forces,' he added. According to Shoigu, Russia values the Egyptian authorities' wish to boost multifaceted relations between the two countries, 'including in the military area, as well as Cairo's constructive stance on major security issues facing the Middle East and North Africa'" (<https://bit.ly/2sxyXkR>).

Qatar

RT, 5 June 2018 and Le Monde, 1 June 2018. In a letter to French President Macron Saudi King Salman reportedly expressed his "deep concern" regarding Qatar's intention to procure the Russian S-400 air defense system, the French newspaper reported quoting a French source familiar with the letter. According to the letter the King wrote that "the Kingdom would be ready to take all necessary measures to eliminate this defense system, including military action." The King also asked the French President for his assistance to prevent Russia's sale to Qatar. In response, Mohammed bin Abdulrahman Al Thani, Foreign Minister of Qatar, underlined in an interview with *Al Jazeera*, the "purchase of any military equipment is a sovereign decision that no country has anything to do with" (<https://bit.ly/2HraimD>; <https://lemde.fr/2xOqO0y>).

The Peninsula, 5 June 2018. A statement by Dr Khalid bin Mohammed Al Atiyah, Deputy Prime Minister and Minister of State for Defense Affairs of Qatar, on the occasion of the first anniversary of the diplomatic dispute between Qatar and Saudi Arabia, the UAE, Bahrain, and Egypt seems to suggest that Doha might be mulling NATO membership. The Peninsula quoted him saying that "regarding membership, we are a main ally from outside the NATO ... the ambition is full membership if our partnership with NATO develops and our vision is clear." In response an "unidentified official" declined Qatar's overture with reference to Article 10 of the NATO Treaty, which reserves membership to European and North American countries (<https://bit.ly/2xRt474>; <https://bit.ly/2xPp7Q7>).

Saudi Arabia

Sputnik, 31 May 2018. Saudi Ambassador to Russia Rayed Krimly told Sputnik that Russia and Saudi Arabia "are still continuing technical details of the (S400) agreement". He also pointed out that Rostec had opened an office in Saudi Arabia (<https://bit.ly/2HISER5>).

Jane's Defence Weekly, 24 May 2018. According to JDW, "there have been three attacks on naval vessels in the Red Sea (since June 2017), that the Saudi-led coalition has not reported. The fate of two vessels is unclear, but a UAE mine-hunter was not lost" (<https://bit.ly/2IHLVGA>).

Defense One, 23 May 2018. "The Pentagon is speeding up U.S. weapons deliveries to allied militaries such as Saudi Arabia, Romania, Japan, and South Korea through new 'pilot authorities' that change how it can design and execute contracts. (...) These new authorities will allow the Pentagon to shave 'years' off the time it takes to deliver weapons to friendly militaries (...) 'The idea here is that we often have the same system that is being sold to multiple countries, or perhaps a small variant,' (Ellen Lord, Defense Undersecretary for Acquisition and Sustainment) said. 'If we have just gone through certified cost in pricing and gone through all the [Defense Contracting Management Agency] and [Defense Cooperation in Armaments] work, and we have current information, we can take that and leverage that to quickly go and sell to another country. That's the basic idea. Then we'll always follow up and verify, and so forth'" (<https://bit.ly/2M0suHh>).

CNN, 9 May 2018. In response to questions by CNN's Wolf Blitzer, Adel Al-Jubeir, Foreign Minister of Saudi Arabia, said that "if Iran acquires a nuclear capability we will do everything we can to do the same. He clarified that this means the Kingdom would work to acquire its own nuclear capability (<https://cnn.it/2LYOPVy>).

Syria

Jane's Navy International, 10 May 2018. "A detachment of the Russian Naval Aviation Sukhoi Su-30SM 'Flanker-H' combat aircraft has deployed to the Khmeimim Air Base in Syria in the first overseas mission for the service's newest air supremacy fighter" (<https://bit.ly/2LlsnEU>).

TASS, 11 May 2018. Contrary to previous reports (see ADIP News Bulletin, 10 May 2018, p. 2), Russia decided not to supply the S-300 air defense system to Syria. In mid-April 2018, Russia's Foreign Minister Sergey Lavrov said, "Russia was ready to consider all necessary steps to reinforce Syria's defense capabilities, including the delivery of the S-300 systems." According to Vladimir Kozhin, Russian Presidential Aide for Military and Technical Cooperation, "no talks had been underway on the delivery thus far" (<https://bit.ly/2LlpqnY>).

Turkey

Defence-Blog, 28 May and 5 June 2018. A report by the Turkish newspaper *Yeni Safak* suggests that Ankara could turn to Russia's Su-57 fifth-generation fighter jet should the U.S. decide to suspend F35 deliveries to Turkey. This pattern is familiar to observers of Turkey's defense industrial policy and should be seen in light of Turkey's vested interests in the program: According to the F35 program homepage, "industrial opportunities for Turkish companies are expected to reach \$12bn." In addition, Turkey should play a regional maintenance and repair hub for the F35. But irrespective of current tensions between Ankara and Washington, Turkey seems set to receive the first F35 on 21 June 2018, Turkish newspaper *Hürriyet* reported (<https://bit.ly/2sFTjY7>, <https://bit.ly/2JjarKn>).

Reuters, 25 May 2018. "A U.S. Senate committee passed its version of a \$716 billion defense policy bill on Thursday, including a measure to prevent Turkey from purchasing Lockheed Martin F-35 Joint Strike Fighter jets. The amendment to the National Defense Authorization Act, or NDAA, from Democratic Senator Jeanne Shaheen and Republican Senator Thom Tillis, would remove Turkey from the F-35 program over its detention of U.S. citizen Andrew Brunson, Shaheen's office said. Brunson, a Christian pastor who could be jailed for up to 35 years, denied terrorism and spying charges in a Turkish court this month. He has been in pre-trial detention since 2016. It also faults NATO ally Turkey for its agreement with Russia in December to buy S-400 surface-to-air missile batteries" (<https://reut.rs/2J3nhzz>).

United Arab Emirates

Gulf News, 7 June 2018. During the first meeting of the Saudi-Emirati Coordination Council in Jeddah on 6 June 2018 both countries launched the "Strategy of Resolve." The strategy shall be implemented via 44 strategic projects that have been grouped along three axes: economics, human affairs and knowledge development, political, security, and military cooperation. Political, security, and military cooperation "includes a number of initiatives such as the joint manufacturing of ammunition, light weapons, vehicles, and electronic shooting systems, as well as cooperation and coordination in foreign military assistance, cooperation in the maintenance of military systems, and standardization of the military industry" (<https://bit.ly/2sBbgLi>).

TASS, 1 June 2018 Sheikh Mohammed bin Zayed, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces met Russian President Vladimir Putin on 1 June 2018. The two discussed issues of mutual interest and signed a "declaration of strategic partnership in the

political, security, economic, and cultural domains." Both countries will "actively contribute to the disarmament process" and "agreed to increase cooperation in combating piracy, as well as sharing expertise in the sphere of maritime security" (<http://tass.com/world/1007620>).

WAM, 14 May 2018. "Mohammed bin Ahmed Al Bowardi, UAE Minister of State for Defense Affairs, and Tomohiro Yamamoto, Japanese Minister of State for Defense, have signed a joint cooperation agreement between the UAE and Japan in security and defense affairs (...). The agreement aims to exchange cooperation and defense expertise to support and develop strategic relations between the two countries and work to increase coordination in the security, equipment and defense technology fields" (<https://bit.ly/2HmbHuz>).

Defense Industry

Israel

Jane's International Defence Review, 11 May 2018. "Rafael Advanced Defence Systems is preparing to test a 'downscaled' variant of the Trophy hostile fire detection/hard kill active protection system the last quarter of this year. As part of its final qualification, the downscaled variant will be integrated with Rafael's Samson Mk II remote weapon station. The company is currently under contract to develop two configurations of the Samson Mk II RWS for customers" (<https://bit.ly/2HkbisA>).

Jordan

Jane's International Defence Review, 10 May 2018. At the 2018 SOFEX exhibition in Amman, the Jordanian King Abdullah II Design and Development Bureau (KADDB) unveiled the Al-Washaq IV – based on the Toyota Hilux 4x4 chassis – and the Al-Washaq C2 vehicle equipped with cameras, long-range acoustic devices, electrically operated smoke grenade launchers, and communications systems. In addition, Jadara Equipment and Defense Systems announced the production of a new Terminator anti-tank guided weapon system (<https://bit.ly/2kMFTGp>, <https://bit.ly/2HkcvQE>, <https://bit.ly/2rxnJY>).

Hürriyet Daily News, 12 May 2018. Jordan International Security and Aselsan have signed an MoU to market "Aselsan's security products and systems in Jordan and other countries" (<https://bit.ly/2stPhmy>).

Saudi Arabia

Arab News, 27 May 2018. Upon opening new headquarters at the King Abdul Aziz International Airport in Jeddah, Mansour Al-Eid, CEO of Aircraft Accessories and Components Company, outlined the company's future development goals. According to Al-Eid, the "company is planning to increase repair capacity for Typhoon jets and (manufacturing) major spare parts and hydraulic systems for Hawk and Pilatus PC-21. It will also focus on the repair of landing systems for civilian aircraft and Lockheed C-130 aircraft" (<https://bit.ly/2JhqJ6O>).

Turkey

Yeni Safak, 5 June 2018. Aselsan and the Undersecretariat for Defense Industries have signed two contracts to develop IFF networks and a digital communication network. According to Ismail Demir, Undersecretary for Defense Industries, "NATO had declared that the Mode 4 enemy interrogator systems would no longer be used as of 2020. We have to move to Mode 5 and Aselsan has done so. Our product will be available to various NATO countries" (<https://bit.ly/2JluYOA>).

Army Recognition, 4 June 2018. French, Italian, and Turkish defense companies currently conducting a study on the SAMP-T air defense system seem to consider technology transfer to Turkey and opportunities to export a future air defense system to third countries, Italy's ambassador to Turkey Luigi Mattiolo told *Hürriyet*. He also pointed out that industry partners would develop new products together (<https://bit.ly/2xGwidl>).

Aviation Analysis Wing, 3 June 2018. Akinci Taarruzi IHA is the most recent twin turboprop-powered UCAV by Baykar, Turkish President Erdogan has revealed on TV. The UCAV is said to be able to carry a payload of up to 1,500kg. Armaments could include MK82 general purpose bombs and Roketsan MAM-L smart micro munition (<https://bit.ly/2sCmWK5>).

C4 Defence, 25 May 2018. Anadolu Yönlendirilmiş Enerji Teknolojileri and the Undersecretariat for Defense Industries (SSM) have signed an agreement to develop an electromagnetic effector, a technology considered critical by Turkish authorities (<https://bit.ly/2LjkJLh>).

Defence-Blog, 24 May 2018. In cooperation with Turkey's Aselsan, Ukraine's SpecTechnoExport and LUCH companies have successfully integrated the Skif anti-tank missile system onto Aselsan's rocket launcher system (<https://bit.ly/2svlIRw>).

C4 Defence, 24 May 2018. The Undersecretariat for Defense Industries (SSM) has kicked off this year's ROBOIK competition on unmanned systems on 22 May 2018 in Ankara. There will be a prototype competition for autonomous underwater vehicles and an industrial design competition for autonomous marine systems. In addition, there will also be a development contest for unmanned ground vehicles (<https://bit.ly/2kMYvpC>).

DonanimHaber, 24 May 2018. Roketsan and Kazakhstan have signed an agreement at the KADEX 2018 exhibition to jointly develop rocket and missile technologies. According to news reports, new rocket and missile systems produced by Turkish companies shall be used by the Army of Kazakhstan (<https://bit.ly/2M217fY>).

C4 Defence, 9 May 2018. Prof Dr Faruk Yigit, Deputy Undersecretary for Defense Industries, has been appointed Chairman of the Board of Directors of Roketsan on 7 May 2018. As reported earlier (ADIP News Bulletin, 1 March 2018, p. 4), Prof has a doctorate from the University of Michigan and worked at the King Saud University in Saudi Arabia from 1995 to 2009 (<https://bit.ly/2sZRZR>).

United Arab Emirates

Zawya, 4 June 2018. Raytheon Emirates and Mubadala have signed a "long-term lease" to establish the company's new UAE headquarters at Abu Dhabi Global Market. This underlines the company's commitment to "bringing value and diversification to the UAE economy and providing increased indigenous capability," company CEO John Brauneis said (<https://bit.ly/2sMTq4w>).

Defence-Blog, 4 June 2018. On 22 May 2018, UAE's International Armored Group (IAG) and Samel-90 of Bulgaria have opened a manufacturing facility in Samokov, Bulgaria. Both companies also joined forces to set up the Samar joint venture to develop and produce armored vehicles for Bulgaria's armed force and the police as well as to serve international markets (<https://bit.ly/2kLhXDa>).

Defense Exports

Israel

Tagesschau, 29 May 2018. The procurement of Heron TP UAVs by IAI was one of the controversial procurement projects of the previous German coalition government. The issue is back on the table and again stirs controversy. According to the *ARD Tagesschau*, Heron TP shall be equipped to carry weapons, but the weapons as well as the training of the personnel to operate theUCAV are not part of the contract submitted for approval by the Bundestag. All relevant legal and normative aspects need to be discussed, before a decision to weaponize Heron TP UAVs can be taken. For the time being, it remains unclear when the respective discussion will unfold (<https://bit.ly/2xIFRZh>).

Jane's Defence Weekly, 24 May 2018. Israel Shipyards has delivered two of a total of four Shaldag MK II fast patrol boats to the Argentine Coast Guard (<https://bit.ly/2sGW3oj>).

Jordan

Defence-Blog, 10 May 2018. At a parade in Grozny, the capital of Chechnya, Chechen SOBOR special police forces "have displayed several recently acquired Jordan-made Stallion II multirole light armored vehicles." This seems to constitute the first Russian import of Jordanian armored vehicles (<https://bit.ly/2sFPkuD>).

Turkey

Defence-Blog and Defense News, 28 May 2018. Turkey's TAI has sealed an export contract from Pakistan for the T129 multirole attack helicopter co-developed with AgustaWestland. According to press reports, Pakistan will purchase 30 T129 helicopters from TAI. No further details on the delivery schedule were given. Industry sources quoted by *Defense News* "estimate the contract to be worth around \$1.5bn, almost equivalent of Turkey's annual defense exports" (<https://bit.ly/2sCLqms>, <https://bit.ly/2sp7DEe>).

C4 Defence, 15 May 2018. Aselsan has received an export contract for the SMASH Remote Controlled Stabilized Gun System from an undisclosed client in "Southern Asia." (<https://bit.ly/2Hm303s>).

Defense Procurement

Bahrain

Defense Security and Cooperation Agency, 18 May 2018. The U.S. State Department has cleared Bahrain's request for up to 3,200 General Purpose and Penetrator Warhead bombs worth around \$45M (<https://bit.ly/2stvnlly>).

Military Cooperation and Training

Bahrain

BNA, 15 May 2018. "Commander-in-Chief of Bahrain Defense Force (BDF) Field Marshal Sheikh Khalifa bin Ahmed Al Khalifa (photo) received Commander of the US Marine Corps Forces Central Command Lt. General William Beydler and his accompanying delegation" to discuss defense cooperation (<https://bit.ly/2LptlQF>).

Oman

Fars News Agency, 10 May 2018. "High-ranking Iranian and Omani military officials in a meeting in Tehran on Tuesday reiterated the need for the further development of defense ties and cooperation between the two countries (...).During the meeting between Iranian Defense Minister Brigadier General Amir Hatami and Brigadier General al-Baloushi, Deputy Commander of the Royal Army of Oman, the two officials underscored the importance of expansion of bilateral relations, especially in military and defense fields" (<https://bit.ly/2Ll05KO>).

United Arab Emirates

WAM, 31 May 2018. UAE Minister of Foreign Affairs and International Cooperation Abdullah bin Zayed al Nahyan met the Canadian Minister of Defense Harjit Sing Sajjan in Ottawa. The two discussed issues of mutual interest in particular in the fields of military, security, and defense industry (<https://bit.ly/2JjUhAK>).

WAM, 25 May 2018. "Mohammed bin Ahmed Al Bowardi, UAE Minister of State for Defense Affairs, met with a Chinese delegation from the State Administration for Science, Technology and Industry for National Defense (SASTIND)" (<https://bit.ly/2kNiTqH>).

WAM, 23 May 2018. "Mohammed bin Ahmed Al Bowardi, UAE Minister of State for Defense Affairs, received Ludovic Pouille, Ambassador of France to the UAE, in the presence of Matar Salim Ali Al Dhaheri, Under-Secretary of the Ministry of Defense" (<https://bit.ly/2xFLcAN>).

WAM, 22 May 2018. "His Highness Sheikh Mohamed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, received General Qamar Javed Bajwa, the Chief of the Pakistan Army, currently visiting the country, to explore paths of reinforcing collaboration across the defense domain" (<https://bit.ly/2xFlexc>).

WAM, 11 May 2018. "H.H. Sheikh Abdullah bin Zayed Al Nahyan, Minister of Foreign Affairs and International Cooperation, has met with Marise Payne, Australia's Minister for Defense, and Christopher Pyne, Australia's Minister for Defense Industry," in Australia to discuss ways to further develop cooperation (<https://bit.ly/2swPrK2>).

Cybersecurity and Space

Saudi Arabia

Arab News, 21 May 2018. After 12 months of work, Saudi engineers and researchers of the King Abdulaziz City for Science and Technology have completed a 630g payload for a Chinese space vehicle that will explore the moon. The joint exploration follows a MoU that was signed in March 2017, when Saudi King Salman visited Beijing (<https://bit.ly/2rUYuns>).

United Arab Emirates

Spacewatch Middle East, 29 May 2018. "The UAE's American University of Sharjah (AUS) has created a four-year Bachelor of Science degree in Physics with an emphasis on space sciences. This degree programme will include internships at the UAE Space Agency and the Mohammed Bin Rashid Space Centre, as well as a possible small satellite building initiative" (<https://bit.ly/2Ja55oM>).

Sputnik, 17 May 2018. "In April 2019, a professional cosmonaut from the United Arab Emirates may fly to the International Space Station (ISS) on board Russia's Soyuz spacecraft, instead of a US businessman who intended to become the next space tourist" (<https://bit.ly/2JeXkhi>).

About the ADIP News Bulletin

The Arab Defense Industry Papers (ADIP) is a new professional series focusing on the role of the defense industry in Algeria Bahrain, Egypt, Iran, Iraq, Jordan, Kuwait, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, Turkey, and the United Arab Emirates. The focus of the series is on the establishment of national defense industrial bases in these countries and joint collaborative defense projects as well as defense exports. The ADIP News Bulletin complements the analytical papers by providing information about current and upcoming developments relevant for the Arab defense industrial establishment. The ADIP News Bulletin is available by subscription. ADIP and the ADIP News Bulletin are joint initiatives of Borchert Consulting & Research AG and Verocy. For more information about ADIP, see: <http://www.arabdefenseindustry.com>.

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