



Arab Defense Industry Papers News Bulletin

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The Big Picture

Middle East

AlJazeera, 20 January 2018. Following a statement in the preliminary results of the negotiation paper for a new German coalition government, Germany is about to stop “arms exports to countries involved in the ongoing war in Yemen.” As German industry sources indicate, this not only affects exports to the region, but also to allied nations such as France, the UK, and the US (<http://bit.ly/2DUfNtV>).

Defense News, 27 January 2018. All of Finland’s candidates for the office of the president wanted the government to ban weapons sales to Middle Eastern countries. Finland’s particular focus is on the UAE that had received Patria vehicles, which should not be used in “cross-border conflicts” according to the details of the deal reached in 2016 (<http://bit.ly/2EogTOy>).

Qatar

State Department, Defense One, 30 January 2018. Qatar and the U.S. convened the inaugural Strategic Dialogue on 30 January 2018 in Washington, DC. The meeting was chaired by the Defense and Foreign Affairs Ministers of both countries. Among other things, the joint statement underlined, the U.S.’s” readiness to work jointly with Qatar to deter and confront any external threat to Qatar’s territorial integrity that is inconsistent with the United Nations Charter.” Prior to the meeting *Defense One* reported that Qatar is “planning to build about 200 houses for American families, in-

crease capacity at dormitories, and construct an entertainment facility at Al Udeid Air Base. (...) Qatar is also building new naval ports, that will be able to accommodate U.S. warships" (<http://bit.ly/2FwqIII>; <http://bit.ly/2FIUXgN>).

Jane's Defence Weekly, 19 January 2018. "Qatar's decision to buy three different types of advanced fighter jets will not create additional financial and manpower burdens, according to Dr Khalid bin Mohammad al-Attiyah, the emirate's minister of state for defence. 'If we said this 20 years ago, I would believe you,' he told journalists in London on 17 January. 'But with this new generation [of fighters], they don't have this complication. Most of them will have a common system [and] common weapons, even if they are from different countries'" (<http://bit.ly/2nyPCBP>).

Syria

Jane's Defence Weekly, 24 January 2018. "Russia now has two S-400 long-range air defence systems protecting its bases in Syria, Defence Minister Sergei Shoigu told journalists during a visit to Vietnam on 22 January" (<http://bit.ly/2GILCGY>).

Defense News, 17 January 2018. "Secretary of State Rex Tillerson signaled deeper U.S. commitment to Syria, saying America would maintain its military presence there to prevent an Islamic State resurgence. (Speaking at Stanford University, he) said the U.S. also would push for broader political changes in the Middle East country" (<http://bit.ly/2nlz9n9>).

Turkey

Jane's Defence Weekly, 10 January 2018. "The Turkish Armed Forces (TSK) will recruit more than 43,000 new military personnel in 2018 to fill gaps and to meet urgent requirements after more than 8,000 staff were dismissed or arrested in purges following the July 2016 failed coup attempt" (<http://bit.ly/2GLhRWb>).

Reuters, 29 December 2017; *Daily Sabah*, 27 December 2017. Turkey and Russia have formally inked the deal to seal the purchase of the S-400 missile defense system. Sergei Chemezov, CEO of Rostec, said Russia would supply Turkey with for batteries, but Turkey's Undersecretariat for the Defense Industry (SSM) announced that Ankara would buy only two batteries. Chemezov also indicated that "Turkey will pay 45% of the total amount defined in the contract in advance, while 55% will be paid with funds from a Russian credit" (<http://reut.rs/2CYtcjV>; <http://bit.ly/2m4Dqbq>).

Defense News, 27 December 2017. Turkish President Recep Tayyip Erdogan has significantly bolstered his grip on the Turkish defense industry with a decree adopted in late December 2017. According to Defense News both the Undersecretariat for the Defense Industry (SSM) and the Turkish Armed Forces Foundation will no longer report to the Minister of Defense, but to President Erdogan. In addition, the President has also been authorized to "call for and chair meetings of the Defense Industry Executive

Committee, (...) that oversees top procurement decisions and national arms programs" (<http://bit.ly/2qwFbmu>).

United Arab Emirates

Jane's Defence Weekly, 26 January 2018. "The United Arab Emirates (UAE) air force has almost certainly acquired the AVIC Wing Loong II medium-altitude, long-endurance unmanned aerial vehicle (UAV). Satellite imagery shows three UAVs matching the Wing Loong II's dimensions at the UAE's remote Qusahwirah Air Base near the border with Oman and Saudi Arabia on 22 October 2017" (<http://bit.ly/2nvBgT2>).

The National, 21 January 2018. Italy and the UAE conducted the third round of the bilateral Strategic Dialogue on in January 2018. According to media reports, "ideas to further political, economic, and investment cooperation" were discussed. Among other things, Angelino Alfano, Italy's Minister of Foreign Affairs, meet with Sheikh Mohammed bin Zayed, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces (<http://bit.ly/2s0X9xW>).

Defense News, 3 January 2018. "Norway said (...) it has suspended exports of munitions and arms to the United Arab Emirates as a 'precautionary line,' based on its assessment of the situation in Yemen, where a Saudi-led coalition including the UAE has been fighting Shiite rebels for nearly three years" (<http://bit.ly/2DYwnLy>).

Defense Industry

Iran

Fars News Agency, 30 January 2018. Iranian Leader's Military Aide and former Defense Minister Brigadier General Hossein Dehqan announced that the two home-made fighter jets, Qaher 313 and Kosar 88, have performed their fast taxi run tests" (<http://bit.ly/2BV1hQ4>).

Fars News Agency, 26 January 2018. Iranian naval forces have tested the home-made Qadir cruise missile during wargames in the Sea of Oman (<http://bit.ly/2GLNfUw>).

Kuwait

Al Defaiya, 22 January 2018. "Kuwait & Gulf Link Transport (KGL), an international logistics firm based in Kuwait, announced that the U.S. Defense Logistics Agency (DLA) has awarded it a new contract to lead logistics and distribution operations for U.S. military personnel across the Gulf region." KGL procure and distribute food products for 20,000 U.S. soldiers in Kuwait, Iraq and Jordan. The value of the contract "is estimated to be \$690M, but not to exceed US\$1.38 billion for a duration of 60 months" (<http://bit.ly/2E8BclJ>).

Qatar

Qatar Tribune, 29 December 2017. "The construction of the first Qatari military equipment factory in Doha with support from Turkey will be completed in the next 2-3 months," Turkey's ambassador to Qatar Fikret Ozer said in an interview with *Al Arab* (<http://bit.ly/2Cwtu0v>).

Turkey

Jane's Defence Weekly, 1 February 2018. Turkey continues the strengthening of local defense industrial capacities. On 26 January 2018 the Undersecretariat for Defense Industries (SSM) has signed agreements to constitute a technology road map with 11 universities and three institutes that are part of TUBITAK, the state-owned research institution. The roadmap includes a total of 22 research and development projects (<http://bit.ly/2FGlkE6>).

Quwa, 29 January 2018. Delivery of the TAI Hürkus B trainer prototype is about to start in June 2018, the Undersecretariat for Defense Industries (SSM) announced on 29 January 2018. The new trainer is about to replace the T-37 Tweet basic jet trainer currently used by the Turkish Air Force (<http://bit.ly/2FsMft9>).

Quwa, 21 January 2018. On 15 January 2018, Aselsan began producing 35-mm airburst rounds "and other systems" for the Korkut self-propelled anti-air gun. SSM and Aselsan had signed the respective production contract at the end of 2017 (<http://bit.ly/2DM3w9M>).

Aselsan, 16 January 2018. SSM has signed a project agreement with Aselsan, Roketsan and Tubitak to develop a long-range surface-to-air missile system. Aselsan's work share accounts for €280M (<http://bit.ly/2nn0suV>).

Reuters, 5 January 2018. Eurosam, Aselsan, and Roketsan have been awarded an 18-month contract "for a study into the development and production of a long-range air and missile defense system. (...) The study (...) is to lay the ground for a development and production contract" (<http://reut.rs/2m51U4h>).

Hurriyet Daily News, 5 January 2018. Turkish vehicle producer BMC Otomotiv and Aselsan have signed a contract for SARP Remote Control Gun Systems worth \$92.5M. Delivery will take place throughout 2018 (<http://bit.ly/2ABVmic>).

Hurriyet Daily News, 31 December 2017. Turkey's Undersecretariat for Defense Industries (SSM) has awarded a \$413.27M contract to Aselsan to develop a short range, low altitude air defense system. Deliveries shall be completed between 2019 and 2022 (<http://bit.ly/2m7d1JS>).

Defense Exports

Israel

Jane's Defence Weekly, 28 January 2018. "Israel's Elbit Systems has been awarded an USD150 million contract to provide through-life support (TLS) services for the Australian Defence Force's battle management system command and control (BMS C2)" (<http://bit.ly/2GKzQvC>).

Turkey

Jane's Defence Weekly, 18 January 2018. TAI and PT Dirgantara Indonesia are reportedly close to signing an agreement to jointly develop a MALE UAV for the Indonesian Air Force. "A fully operational UAV prototype" shall be ready within 12 months after agreeing on the terms of the collaborative project" (<http://bit.ly/2DZrfrv>).

Antonov, 22 December 2017. Aselsan will deliver avionics systems including autopilots for Antonov aircrafts, the Ukrainian company announced after bilateral meetings that took place on 20 to 21 December 2017. No further details on specific projects, volumes, and delivery times were given (<http://bit.ly/2CHqiTh>).

Defense Modernization and Support

Bahrain

Al Defaiya, 25. January 2018. Bahrain has received the first upgraded Al Manama vessel from Leonardo. Among other things, the Italian company upgraded the weapon control system (<http://bit.ly/2s6XMWW>).

Israel

Defense News, 15 January 2018. Israel touts the benefits of its "steel dome" system in detecting and destroying cross-border tunnels. The system combines "new technologies, tactics, and procedures aimed at denying militants" to conduct attacks from underground (<http://bit.ly/2rIfsrK>).

Associated Press, 10 January 2018. Israel's Ministry of Defense has cancelled an Arrow-3 missile trial citing a "communications malfunction". According to press reports this is the second cancellation of a missile test within a month (<http://bit.ly/2B1si3z>).

Jordan

Jane's Defence Weekly, 16 January 2018. "Germany formally handed over EUR18 million (USD22 million) worth of aircraft and vehicles to the Jordanian Armed Forces (...). The deliveries consisted of two Grob G 120TP trainer aircraft and 120 vehicles that included Mercedes Benz Zetros military trucks" (<http://bit.ly/2DZsk2x>).

Middle East

Jane's Defence Weekly, 2 February 2018. An undisclosed Middle Eastern customer will equip its Airbus EC635 helicopters with the Flexible Light Armed System for Helicopters by Paramount Group, the company's CEO indicated at a conference on 31 January in London. The upgrade includes "a helmet-mounted sight and display, a mission computer armament relay section unit, GPS receiver, weapon control panel (...), and an electro-optical/infrared sensor turret" (<http://bit.ly/2nFvFIL>).

Saudi Arabia

Defense Security Cooperation Agency, 17 January 2018. Saudi Arabia is about to receive continued support for the PAC-3 missile defense system. Among other things, the US\$500M upgrade includes support in the Patriot Legacy Field Surveillance Program, missile system spare parts as well as logistics support (<http://bit.ly/2s3DLR5>).

Oman

Defense Security Cooperation Agency, 5 January 2018. "The State Department has made a determination approving a possible Foreign Military Sale to Oman of items and services to support an incremental Operational Flight Profile (OFP) software upgrade for F-16 subsystems, as well as Identification Friend or Foe (IFF) and secure communications equipment for Mode 5 operations for an estimated cost of \$62 million" (<http://bit.ly/2CNI6N4>).

Defense Procurement

Bahrain

Defense News, 19 January 2018. Following the deal signed in November 2017, Lockheed-Martin has confirmed that Bahrain is to become the first country in the region to operate F-16 Block 70 aircraft. "The core of its configuration is the AN/APG-83 active electronically-scanned array radar" (<http://bit.ly/2EZCE6F>).

Jordan

Reuters, 28 January 2018. "The United States has delivered the last batch of Black Hawk helicopters for Jordan's rapid deployment force to bolster border defenses and engage in cross-border operations against Islamic militants" (<http://reut.rs/2DXFFrY>).

Jane's Defence Weekly, 25 January 2018. "The first of the four Mi-26T2 heavy lift helicopters ordered for the Royal Jordanian Air Force (RJAF) has arrived in Jordan, military spokesman Brigadier General Odeh Shudaifat told *Jane's* on 25 January. He did not say when the other three would be delivered" (<http://bit.ly/2rHErvf>).

Qatar

TASS, 25 January 2018. Qatar and Russia are in “advanced negotiations” for the possible sale of S-400 missile defense systems, Fahad bin Mohammed Al-Attiyah, the Qatari ambassador to Russia, said. Al-Attiyah also said that the two nations would soon post military attachés in their respective capitals (<http://bit.ly/2DMjyEO>).

Fox Business, 17 January 2018. Qatar is about to increase its procurement of Hawk trainers from six to nine, Qatar’s defense minister Khalid Bin Mohammad Al-Attiyah said in a speech at the London-based Royal United Services Institute (<http://fxn.ws/2DMyZwO>).

Saudi Arabia

Jane’s Defence Weekly, 12 January 2018. Sikorsky will provide 17 UH-60M Black Hawk helicopters to Saudi Arabia. Eight helicopters for the Saudi Arabian National Guard and nine systems for the Royal Saudi Land Forces Airborne Special Security Forces. The deal is worth US\$193.85M (<http://bit.ly/2EaGBbJ>).

La Tribune, 2 January 2018. Originally intended to support the Lebanese Navy, Saudi Arabia has set in force a contract worth €250M for three Combattante FS56 fast attack craft built by the French CMN Group. The ships could be equipped with MBDA’s Simbad-RC surface-to-air missile system. So far, however, no details on the project schedule have been revealed (<http://bit.ly/2C9aGV4>).

Military Cooperation and Training

Jordan

Petra, 23 January 2018. “The Chairman of the Joint Chiefs of Staff of Jordan, Lt. General Mahmoud Freihhat, on Saturday received Royal Australian Air Force Commander and Defense Force Chief, Air Chief Marshal Mark Binskin, and his accompanying delegation” (<http://bit.ly/2ECRtNw>).

Petra, 16 January 2018. “His Majesty King Abdullah of Jordan (...) held talks with visiting German Defense Minister Ursula von der Leyen on bilateral friendly ties, particularly in the defense and military fields. During a meeting (...) the Jordanian King lauded Germany’s aid offered to the Kingdom to help it carry out development programs and to counter ramifications of the volatilities in the Middle East. Discussions also touched on Mideast developments, particularly those related to the Palestinian cause and Jerusalem” (<http://bit.ly/2EC6Ohl>).

Kuwait

Al Defaiya, 5 January 2018. British Secretary of State for Defense Gavin Williamson, who was appointed in November 2017, paid his first visit to Kuwait in early January 2018 (<http://bit.ly/2FIZFet>).

Saudi Arabia

Saudi Press Agency, 26 January 2018. Mohammed bin Salman bin Abdulazid Al Saud, Crown Prince of Saudi Arabia, has met General Joseph Votel, Commander of the U.S. Central Command to discuss military cooperation and counter terrorism activities (<http://bit.ly/2DXMkSZ>).

United Arab Emirates

WAM, 31 January 2018. Iron Union 6, a joint U.S.-UAE military exercise was completed at the end of January 2018. According to the news agency WAM, the “exercise reflects the ongoing desire of the General Command of the UAE Armed Forces to raise the military’s performance, efficiency, and teamwork” (<http://bit.ly/2E0GkVB>).

WAM, 16 January 2018. “Major General Falah Al Qahtani, Assistant Under-Secretary for Policy and Strategic Affairs at the UAE Ministry of Defense, has received a delegation of the NATO Parliamentary Assembly in Abu Dhabi. The meeting tackled ways to improve military cooperation between the UAE and NATO in various fields in terms of enhancing regional security and stability” (<http://bit.ly/2s830BS>).

Cybersecurity and Space

Israel

Spacewatch Middle East, 31 January 2018. “Discussions are underway for Israel to cooperate with the European Space Agency under a ‘special arrangement’, ESA Director-General Jan Wörner said at a conference in Tel Aviv” (<http://bit.ly/2E23GxW>).

The Jerusalem Post, 18 January 2018. “Haifa’s Technion-Israel Institute of Technology and the Indian Institute of Space Science and Space Technology, under the auspices of India’s Science Ministry, signed a Memorandum of Understanding during Prime Minister Benjamin Netanyahu’s visit to India, which establishes cooperation in the field of space exploration” (<http://bit.ly/2EAuTow>).

IAI, 4 January 2018. The cyber security organization of Poalim Bank and the cyber enterprise of IAI “announced they will collaborate in leveraging Blockchain technology to create innovative cyber solutions. The joint research undertaken by the two companies will examine how Blockchain (...) could be used for developing innovative cyber security solutions, such as secure transmission of information between services and supply chains, user authentication, critical devices and elements that run with no human intervention (...)” (<http://bit.ly/2nF2CW1>).

Spacewatch Middle East, 4 January 2018. “Technion and the Israel Space Agency announced that in late 2018, a group of three nanosatellites, which will fly in controlled formation, will be launched for the first time into space. The satellite formation will be launched by the Dutch company In-

novative Solutions In Space, which specializes in launching nanosatellites” (<http://bit.ly/2nyJiKF>).

Iran

Spacewatch Middle East, 5 January 2018. “A source within the Iranian communications industry revealed to *Trend News* in late December 2017 that Iran would continue to utilize Azerbaijan’s AzerSky satellite. The source further stated that the two countries have discussed the possibility for increased cooperation regarding satellite operations during 2018” (<http://bit.ly/2GLBo8W>).

Saudi Arabia

Spacewatch Middle East, 17 January 2018. “The Chinese launch of what many believe to be a military reconnaissance satellite, the Ludikancha Weixing-3 (LKW-3) – or Land Surveying Satellite 3, on January 13, 2018, from the Jiuquan Satellite Launch Centre (JSLC) may have also included the SaudiSat-5B Earth observation satellite, according to a report in *SpaceFlight Insider*” (<http://bit.ly/2GlyQb9>).

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 Veracy. For more information about ADIP, see: <http://www.arabdefenseindustry.com>.

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