

# Defense Update

## DEFENSE-UPDATE ASIA-PACIFIC

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## Denel Signs R3.5 Billion Manufacturing Deal with Malaysia



Denel has signed a Eur. 340 million contract with Malaysia to supply a range of turret and integrated weapon systems to be fitted onto 8 X 8 armored vehicles. The turrets will be exported to Malaysia over a seven-year period. The turrets will be integrated on the Malaysian Army's new 8 X 8 vehicles, which are based on the Pars armored vehicle platforms from the Turkish company, FNSS.

The contract covers 69 manned turrets fitted with the South African GI30 30mm main gun, 54 manned turrets equipped with the gun and the Ingwe anti-tank missile system, plus 54 remote controlled weapon stations. The order also includes the supply of 216 laser-guided Ingwe missiles manufactured by Denel Dynamics. The first turrets will be delivered for testing by January 2013.

Malaysia will share part of the production of the turrets, with Denel's agent Deftech to provide weapon system integration and provide local support for the systems. ([Denel](#))

## Russia promises military, nuclear cooperation with Vietnam

Relations between Vietnam and Russia are warming despite Hanoi's opening to the west. In the recent visit in Moscow, Vietnam Foreign Minister Pham Binh Minh has met with Russian Deputy Prime Minister Dmitry Rogozin who pledged to expand cooperation with Vietnam in the areas of military technologies and nuclear power. The Russian host reaffirmed Moscow's commitment to help Vietnam build the Ninh Thuan 1 Nuclear Power Plant on schedule, and ensure its safety.

Pham Binh Minh also met the Russian Foreign Minister Sergei Lavrov. The two ministers discussed the situation in Southeast Asia and recent developments in the East Sea. They said all disputes should be settled on the basis of the 1982 United Nations Convention on the Law of the Sea and the Declaration on the Conduct of Parties in the East Sea, and



voiced their support for efforts towards building the Code of Conduct of the parties on the East Sea. ([Thanhien](#))

### **Babcock demonstrates AWD torpedo launcher capability for Royal Australian Navy**

Babcock has successfully completed factory acceptance testing of the Royal Australian Navy's (RAN) Hobart-class air warfare destroyer's (AWD) Mk32 Mod 9 torpedo launchers at its Techport facility in South Australia. The test validated the launcher assemblies' capability to fire a MU90 lightweight torpedo, while meeting the AWD program capability standards. Each Hobart class AWD will have two Mk32 Mod 9 torpedo launcher assemblies, installed in magazine compartments, port and starboard. The system features a launcher, an air-charging panel, which is currently undergoing testing by Babcock, and a torpedo loading tray.

### **Thales and Winchester team up in Australia**

Thales Australia and Winchester Australia have signed a strategic teaming agreement to cooperate on Australian market opportunities. The partnership joins the Australian subsidiaries of two leading munitions manufacturers, opening new avenues for productive collaboration in both the defense and non-defense markets. Building on an existing relationship of mutual supply and production collaboration, the agreement enables Thales to develop more cost effective solutions for key products currently supplied to the military under existing contracts.

Thales's munitions operations in Europe include Thales Advanced Weapon Systems, Thales Missile Electronics, a 45% stake in fuzes specialist Junghans Microtec, and TDA Armaments and Forges de Zeebrugge (FZ). Winchester Ammunition, a division of the US based Olin Corporation, has been manufacturing ammunition for more than a century, as one of the world's leading brand in the ammunition market. Active in Australia since 1967

the company has a manufacturing and distribution facility in Geelong, Victoria.

### **Australian Army Orders 214 Additional Thales Bushmaster Vehicles**

The Australian Defence has placed an additional order for 214 Bushmaster vehicles for the Australian Army. This new order will maintain the production line active until the beginning of production of the new Hawkei vehicles.

### **ASC to support Australian Navy's Collins-class submarines**

The Australian Defence Materiel Organisation (DMO) has awarded a new in service support contract (ISSC) to Australian Submarine Corporation (ASC) to maintain the Royal Australian Navy's (RAN) Collins-class submarine fleet. The ISSC contract succeeded the through life support agreement (TLSA).

### **Army to Deploy Giraffe Radars in Afghanistan**

The Australian Defense Forces (ADF) has taken delivery of the first two Giraffe AMB radars under contract from Saab Australia, which will be used by the country's troops in Afghanistan. The delivery follows a five-year \$86.2m deal, awarded to the company as part of the final stage of the ADF's LAND 19 phase 7A acquisition project in 2010 for the supply of three Giraffe AMB radars and field sustainment support services to the army. The new radars would be deployed in Afghanistan before the end of the year to help replace the leased radars, currently used as part of the counter rocket artillery and mortar (C-RAM) network at the Multi-National Base at Tarin Kowt. ([AAP](#))

### **China Seek Closer Defense ties with Australia**

Rebuffing Washington's new Pacific focused strategy China is calling for Australia to adopt a more independent defense policy thus securing its economic ties with Beijing. Specifically, Chinese officials expressed concern over Washington plans to establish a training hub at the Australian city of Darwin, deploying 2,500 Marines at the base. The Australian government has rejected claims that the increased U.S. military presence on Australian soil is aimed at containing China and says it remains open to Chinese participation in joint exercises in Darwin in the future. ([The Province](#))



*Artillery modernization is part of the Indian Army 11th Plan. A recent procurement of US M-777 lightweight howitzers was part of this program*

*Photo: US Army*

## 12th Army Plan to Cost India over \$1 Trillion over 5 Years

The Indian Army is planning an ambitious growth in the next five years, if the government will approve an increase and sustainment of the budget requested for the 12th Army Plan for 2012-2017. In addition to fulfilling acquisition of hardware that lagged in the 'hollowed army' of the past five years, the new plan aims to increase the northeast and northwest regions, defending against India's archrivals China and Pakistan.

According to the plan drafted by the new Army chief General Bikram Singh, the Army will establish a new Mountain Strike corps, comprising two specialized mountain divisions providing a new 'rapid reaction force' to deter potential Chinese aggression in the northeast region. Panagarh in

West Bengal will be the home of the new corps. The two new infantry divisions are already based at Zakama (Nagaland) and Missamari (Assam).

Among the technological inductions related to the 12th Plan is the improvement of the Army's night fighting capability. Under this plan new 3rd generation night vision equipment will be inducted with all mechanized forces, with over 3,000 tanks and 1,900 infantry combat vehicles, as well as infantry battalions. Aviation assets will also be enhanced with the activation of attack/armed reconnaissance helicopter squadron supporting each of the 13 Army corps, plus a flight of five tactical transport aircraft deployed with each of the six

regional or operational commands.

But before this ambitious plan will be executed, the Indian Army has to fill the gaps in artillery, aviation, air defense, replenish tank and small-arms ammunition and anti-tank missiles stocks, all deficiencies set to be dealt with in the 11th Plan, but were never fulfilled.

The Indian Army is requesting 10 lakh crore (US\$1.8 trillion) for the five year 12th plan, but is likely to get just around one trillion. The Army is still seeking an extra budget of 41,000 crore (US\$7.5 billion) to plug the gaps identified in the 11th plan, before it embarks on the new ambitions.





### P&W Delivers 1st Engines for Boeing C-17s to India

*Pratt & Whitney has delivered the first four F117 engines for the Indian Air Force to power its fleet of Boeing C-17 Globemaster III transport aircraft. India's Ministry of Defense signed a Letter of Offer and Acceptance with the U.S. government in 2011 to acquire 10 C-17s. India will take delivery of its first C-17s in mid 2013.*

*In the photo: Boeing P-8I on its maiden flight. (See news item on this page) Photo: Boeing*



### India proceed with Rafale Dassault while Reviewing MMRCA Selection process

The wait for procuring 126 combat aircraft for the Indian Air Force (IAF) is set to get longer as Defense Minister A K Antony has decided to review the process to determine the lowest bidder in the deal bagged by French Rafale after defeating European Eurofighter.

The Defense Ministry has also resumed the process of negotiating the price of the 126 Medium-Multirole Combat Aircraft (MMRCA) with French Dassault Aviation after it was halted briefly following objections from former MP Mysura Reddy.

"The Contract Negotiations Committee (CNC) has been directed to proceed to complete its deliberations and finalize its report. Before any further action is taken, the entire issue of approach and methodology

adopted by the CNC to determine the L-1 vendor as well as your letter and other references received in this regard will be re-examined by the Defense Ministry to ascertain that the entire procurement process is reasonable, appropriate and as per the laid down procedure," Antony said in a letter to Reddy.

### Boeing P-8I Begins Flight Test Program

Boeing's first P-8I aircraft for the Indian Navy began its official flight test program July 7, taking off from Boeing Field in Seattle at 9:15 a.m. and landing three hours and 49 minutes later after demonstrating flying qualities and handling characteristics. The flight went as planned with all test objectives met. According to Leland Wight, Boeing P-8I program manager: the program will test the P-8I's mission system, which includes its sensors and communication systems. The

team then will transition to 'stores' tests during which the P-8I will carry inert weapon shapes under its wings to demonstrate that the aircraft is capable of carrying all the weapons the Indian Navy will use during regular missions. Span over several months, test flights will be conducted at the U.S. Navy test range west of Neah Bay, Wash., and a joint U.S./Canadian test range in the Strait of Georgia.

The aircraft is one of eight long-range maritime reconnaissance (LRMR) and anti-submarine warfare (ASW) aircraft Boeing is building for India as part of a contract awarded in January 2009. ([Boeing](#))

### Chinese Frigate Runs Aground in Disputed Waters

Chinese frigate identified as FFG590 has run aground on a reef on Wednesday evening at the Half Moon Shoal, about 90 nautical miles off the western Philippine island of Palawan). On Friday Philippine patrols reported Chinese rescue work still ongoing ([AFP](#))

## Indian Steps Up Cyber Warfare Efforts

The Indian Navy began recruiting information technology experts for its cyber force; the first group of officers to be selected and trained beginning in December 2012, will support and protect the Navy's information networks and computing resources. The new act brings the Indian Navy to become the first branch to establish a dedicated cyber warfare cadre of officers within its executive branch. Until now the services' technical branches managed information-security issues.

The recent cyber attack involving penetration of classified computers at the headquarters of the Eastern Naval Command reiterated the vulnerability of existing systems, including secure networks that are not connected to the internet, compromised via air-gap vulnerabilities involving unsecured USB drives, for maintenance or personal use. The source of the attack, discovered at the beginning of the year, led to six mid-level officers who breached security protocol that could have led to the malware to penetrate the secured computers.

A similar process is thought to have been compromised the country's mobile missile defense system in 2010.

Realizing the growing cyber threat and the potential use of offensive cyber attack as an opportunity, the Indian government has recently announcing plans to create a 24-hour National Critical Information Infrastructure Protection Centre (NCIPC) to monitor such threats. Specific departments are also likely to establish Computer Emergency Response Teams (CERTs) specialized in specific cyber security applications. One of the main concerns is the vulnerability of national infrastructure systems to Stuxnet-like attacks. India was one of the countries hit by the first Stuxnet attack in 2010, although this specific malware was directed at Iran, the virus spread through Asia, hitting China, South Korea and India.

In parallel, the government has authorized the Defense Intelligence Agency (DIA) and National Technical Research Organization (NTRO) the power to carry out unspecified offensive (cyber) operations.

## Taiwan retires 20 fast attack missile boats

With the full commissioning of all 30 Kuang Hua VI missile boats operated by three squadrons of the Hai Chiao (Sea Dragon) guided missile boat group, the Republic of China (Taiwan) Navy, has retired 20 of the remaining Hai Ou (Seagull) class fast missile boats, which were in service with the navy for more than 30 years. The Seagull was a derivative of the Israeli 50 ton Dvora class boats, originally designed by IAI Ramta division. In its original configuration the Dvora was designed as a fast patrol boat for coastal defense, but in the Seagull version it was employed as a missile boat, carrying two Each Seagull carried was armed with of the boats was It was armed Hsiungfeng I (Brave

Wind I) ship-to-ship missiles, a derivative of the Israeli Gabriel II (also developed by IAI). The locally designed Kuang Hua VI is a larger 171 ton vessels, carrying four Hsiungfeng II, an improved version of the ship-to-ship missiles. The new vessel characterized by the navy as a 'littoral strike vessel' offers high agility and mobility, and is improved over the Seagull in terms of stealth, speed, seaworthiness, range, and combat systems.

## Taiwanese Missile Drill called a Success Despite Two Misses

More than 2,300 soldiers were mobilized in the drill held earlier this month in a tightly-guarded missile base facing the Pacific Ocean, in Pingtung county

in the island's south. Overall, 26 missiles were fired, only two missed their targets on the live-fire exercise that took place by the Taiwan forces on July 9. Twenty-four missiles, launched from aircraft, vessels and ground batteries, destroyed their targets in the drill. Two missed their targets - an Hsiungfeng II (Brave Wind II), - an improved version of the Hsiungfeng ship-to-ship missile, and a Tien Chien I (Sky Sword I) surface-to-air missile, both of which were locally developed and manufactured. Last year's drills have been less successful. In an embarrassing flop last year six out of 19 missiles missed their targets or failed to explode during a live-fire missile test attended by the press. This year, Gen. Lin Chen-yi, chief of staff of the island's armed



*Taiwan inducts the new Eurocopter EC225 to Search and rescue squadron. The aircraft were delivered from France in November 2011.*

forces was satisfied with the outcome of the maneuver, a military officer told reporters.

### **Taiwan SAR Unit gets EC225 Helicopters**

Three EC225 Super Puma helicopters built by Eurocopter were officially commissioned into the Taiwanese air force at a ceremony, July 10. The new helicopters to be operated in search and rescue operations have a maximum takeoff weight of about 11 tons and can accommodate two pilots, four crew members and as many as 20 passengers or three stretchers. The twin-engine, five-rotor-blade helicopter has a maximum endurance of five hours and 38 minutes, a maximum speed of 324kph and a maximum range of 838km.

The Super Pumas are the first European-built helicopters to serve in the Air Force's rescue squadron, joining the Sikorsky S-70Cs, acquired from the US in the 1980s and 1990s.

### **AIDC to Supply F-16, Drone Components**

Taiwan's state-owned aerospace company Aerospace Industrial Development Corp. (AIDC) has signed two

cooperation agreement Lockheed Martin and U.K.-based Meggitt Defense Systems. The MOU with Lockheed Martin addresses offset opportunities related to F-16A/B retrofit and modernization. AIDC said it is seeking to build a maintenance and overhaul center in Taiwan with Lockheed Martin to support for the F-16 program. For Meggitt, AIDC manufacture unspecified components for Banshee target drones. Once the approved Meggitt could be ordering from AIDC about 250 components per year for 10 years. AIDC has been purchasing drones from the Meggitt since 2001. ([Focus Taiwan](#))

### **KAI Delivers 10 Apache Fuselages to Boeing**

Boeing has received the first 10 fuselages manufactured by Korean Aerospace Industries (KAI) for new production AH-64 Apache Block III helicopters. KAI is producing Apache fuselages for Boeing for almost a decade at its facility in Sacheon, South Korea. These new airframes will be used by Boeing to manufacture the first production 'Apache Block III' aircraft at its assembly line at Mesa, Arizona. Delivery is

expected for serial delivery next year. The U.S. Army plans to remanufacture 690 D model Apache into Block III aircraft. Other countries that have selected the aircraft are India and Taiwan. South Korea, Qatar, UAE and Indonesia are also considering this type.

In 2012 Boeing was awarded \$486 million US Army contract to enter Low-Rate Initial Production delivering 51 aircraft through 2013. Boeing is also working on orders worth over \$170 million to deliver the aircraft to foreign customers under the US Foreign Military Sales program.

AH-64D Longbow Block III improvements consist of 25 technology insertions and include avionics improvements such as improved digital connectivity, the joint tactical radio system, VN-sight low-light television sensors (LLTV), and Unmanned Aerial Systems Tactical Common Data Link Assembly (UTA), a two-way, high-bandwidth data link that enables Apache air crews to control the sensor and flight path of unmanned aerial vehicles. ([Boeing](#))





## Seoul Proposes Military Pact with Beijing

Foreign minister Kim Sung-hwan proposed Seoul and Beijing sign a military pact similar to that of the stalled intelligence protection agreement with Tokyo during a meeting with his Chinese counterpart Yang Jiechi, according to the foreign ministry Friday. Seoul and Beijing have been in low key talks regarding the proposed pact.

The minister's move comes as lawmakers here have called for signing a GSOMIA also with China, the nation's No.1 trading partner, to avoid accusations that the Korea-Japan agreement is part of a stronger trilateral military alliance including the United States and to contain Beijing. Kim was quoted as saying during the bilateral talks that "the Korea-Japan intelligence pact and the trilateral cooperation aim to deter North Korea's provocation" and "does not mean to stimulate or target China."

## Philippine Officials Deny US Involvement in Counter Terror Attacks

Former Armed Forces chief Hermogenes Esperon Jr. said Monday the Philippine military had been using US Lockheed Martin P3C Orion

reconnaissance planes but not attack drones to bomb enemy positions. Esperon confirmed that the American Joint Special Operations Task Force operated a liaison office at Luzon during the 2006 campaign against Al-Qaeda affiliate groups in the Philippines, shared intelligence gathered by US drones with the Philippine forces.

However, according to the New York Times the US drones also participated in an attack in an attempt to take out the Indonesian terrorist Umar Pateck, a member of the terror group Jemaah Islamiyah. Pateck was tagged in the 2002 bombings in Bali, Indonesia that claimed the lives of 202 people. The Philippine Air Force does not have attack drones, and rely primarily on Rockwell OV-10 Bronco for its counter-insurgency (COIN) operations. Drones were reported to carry an attack in February 2012 in Sulu. Again, the Philippine military insists these attacks were conducted using their Air Force's OV10s.

The Philippines 1987 Constitution forbids the involvement of foreign armed forces in combat operations. Regardless of the US level of involvement, the debate in the Philippines on the legality of US drones attacks is bringing this new tool of US power projection to the surface. Until now, drones

have operated primarily in the twilight zone, in lawless areas, in North Pakistan, Yemen or Ethiopia, where their operations were not subject to public scrutiny. The Philippine could provide the first real challenge for Washington's new drone strategy.

## Philippines Seek Surplus US Navy P-3C to Improve Maritime Surveillance

Philippines President Benigno Aquino III is requesting to lease US Navy surplus P-3C maritime reconnaissance aircraft to secure its sovereignty in the West Philippine Sea. Manila and Beijing are still in a standoff in the Panatag (Scarborough) Shoal that started on April 10. The shoal is about 123 nautical miles off Masinloc, Zambales, and well within the Philippines' 200-nautical-mile exclusive economic zone, but China is claiming the area and calls it Huangyan Island. The two countries are also disputing other islands and reefs on the Spratlys in South China Sea, along with Vietnam, Taiwan, Brunei and Malaysia.

The Philippines have already received P-3C support from the US in recent years. Philippine officials recently confirmed they are receiving US assistance in their war against terrorists groups in the archipelago but denied direct involvement of US forces or US drones in the fighting. Contrary to recent reports published in the local media, the Philippine military hasn't used unmanned aircraft in its attacks on terrorist cells in the islands.

# Briefs

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## **Military Seminar to Address Sri-Lankan 5R Strategy**

The Sri-Lankan defense is organizing a three-day seminar addressing the post-conflict experience of the Sri-Lankan military. 14 countries have already confirmed their participation, including the US, India and Pakistan. The event will take place at the Galadari Hotel in Colombo from August 8-10 and will address the government's 5R strategy – Reconstruction, Resettlement, Rehabilitation, Reintegration and Reconciliation.

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## **Brunei to get Black Hawk choppers in 2014**

Brunei is expecting to receive the first batch of S-70i Black Hawk helicopters in early 2014. Brunei has signed the contract to buy 12 S-70i helicopters for Royal Brunei Armed Forces (RBAF) in 2011. These helicopters will be designed for multi-mission uses, including aerial mobility and tactical airlift, special operations, border and maritime security, Search and Rescue (SAR), as well disaster relief and humanitarian support. The helicopters are being built at Sikorsky's PZL Mielec facility in Poland. In October 2012 the S-70i airframes will be delivered for Sikorsky Military Completions Center in the US for the final configuration that meets the RBAF requirements. ([Asiaone](#))

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## **Thai Army to purchase two UH-60M Black Hawks from Sikorsky**

The Royal Thai Army has signed a letter of offer and acceptance (LOA) for the purchase of two Sikorsky Aircraft-built UH-60M Black Hawk helicopters through the US Government's foreign military sales (FMS) program. In August 2011, Thailand also became the first country outside the United States to take delivery of Sikorsky's latest version of the naval BLACK HAWK utility helicopter, the MH-60S helicopter. The two new "Sierra" aircraft acquired by the Royal Thai Navy are designed for utility missions, such as logistics and troop transport. In addition, the standard searchlight and rescue hoist will enable aircrew to perform search and rescue missions.

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## **India, Singapore Extend Training Pact**

India and Singapore have extended the military training services that the Indian armed forces extend to their Singaporean counterparts. India is already training the Singaporean air force at the Kalaikunda air base in West Bengal, where the city state has permanently placed its air assets for training purposes. The agreement was signed by Indian Defense Secretary Shashi Kant Sharma and Singapore's Permanent Secretary for Defense Chiang Chie Foo.

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## **Insitu Pacific Awarded Unmanned Systems Contract by Republic of Singapore Navy**

Insitu Pacific, the Australia-based subsidiary of Insitu Inc., announced July 9, that it was awarded a contract to provide its ScanEagle Unmanned Aircraft System (UAS) to the Republic of Singapore Navy (RSN). The delivery of these systems will be accompanied by training, logistics and ship installation, as well as specialist in-country maintenance support. The ScanEagle UAS is being fitted for the fastest ships in the RSN's fleet, the missile corvettes.

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## **Agni-I Successfully User-Tested**

India successfully tested the 700 km range ballistic missile, 'AGNI I' was successfully launched today from the wheeler island off the coast of Odisha. It was a textbook launch meeting all mission objectives and the missile reached the target point in the Bay of Bengal following the prescribed trajectory. The missile was launched from Road Mobile Launcher System and was tracked by Radar and Telemetry stations located along the coastline. Two Naval Ships located near the target point tracked the missile in the terminal phase of the Flight.

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## **Indonesia to buy 100 Leopard 2A6 tanks from Germany**

Indonesia is buying 100 Leopard 2 A6 tanks from German Army surplus. Indonesia allocated about \$280 million for the procurement. Originally Jakarta planned to buy the tanks from the Netherlands but the Germans were more flexible in securing the tanks within the next 24 months. The first shipment of 15 tanks will be delivered in October 2012.



# INDUSTRY NEWS

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## **Northrop Grumman to Supply Additional Airborne Mine Hunting Systems to Japan**

The Japanese Maritime Self-Defense Force (JMSDF) awarded follow-on orders for three additional AQS-24A airborne mine hunting systems to be supplied by Northrop Grumman. These contracts follow the initial contract for the lead system, awarded in October 2011. The JMSDF will use all four complete AQS-24A airborne mine hunting sonar systems on its new MCH-101 helicopters. Additional follow-on orders for more systems, electronics and support equipment are anticipated in 2013 and will continue until the JMSDF reaches its full operational inventory objective. Northrop Grumman is supporting the program with technology transition to allow for certain components of the airborne electronics to be manufactured in Japan, in addition to the establishment of in-country support capability and infrastructure for the system, eventually enabling the JMSDF to provide full logistics support for the AQS-24A systems. ([Northrop Grumman](#))

## **Boeing Joins Japanese Aerospace Partners to Establish manufacturing Research in Tokyo**

Tokyo, June 29, 2012: An alliance of three major Japanese airframe manufacturers including Mitsubishi Heavy Industries, Kawasaki Heavy Industries and Fuji Heavy Industries, have joined the Boeing Company in the foundation of the Institute of Industrial Science (IIS), at the University of Tokyo. Under the memorandum of understanding MOU signed last month, the parties will establish a consortium to develop industrial-scale manufacturing technology and processes, in Japan, under a new model of academic-industry cooperation. The consortium will initially focus on the development of machining and drilling process technology for titanium, aluminum and composite materials, to tackle manufacturing issues common across different industries in current and future production. The financial investments of each of the partners have not

been determined yet; the intent is for an initial commitment of five years, with industrial members financially supporting the research, in addition to competing for government grant opportunities. Development work will be led by IIS professors and carried out by its technical staff. ([Boeing](#))

## **Finmeccanica to Support Industrial Park in Malaysia**

The Malaysian Defense and Security Technology Park (MDSTP) in Sungkai, Perak is taking shape with 21 companies committed to invest in the new venture. This week nine subsidiaries of the Italian based Finmeccanica group have signed a memorandum of understanding (MoU) with the park developer, Masterplan Consulting to consider the park for their regional operations. The MoU signatories include SELEX Sistemi Integrati, SELEX Galileo, AgustaWestland, Alenia Aermacchi, SELEX Elsag, Telespazio, SIIT Liguria Technological District and Whitehead Alenia Sistemi Subacquei. According to the park developers, the location is set to become a premier defense technology park with advanced infrastructures and services to accelerate local human capital growth, research and development, science, technology and innovation for defense security and enforcement agencies. MDSTO is the first defense and security hub in Asean and Malaysia is currently marketing this location, attracting foreign defense companies to invest in the park, securing infrastructure facilities for their future expansion in the region. ([Bernama](#))

## **Osprey Emergency Landing Reignites Japanese Safety Concern**

A Marine Corps MV-22B Osprey forced to make an emergency landing on 9 July is fueling a resurgence of Japanese concern regarding the safety of the world's first production tiltrotor combat aircraft. This incident, while relatively minor, has reignited Japanese fears that the Osprey is too dangerous for operations in the heavily-populated communities that surround American military facilities in Japan. ([Defense-Update](#))



## Regional Hotspot:

### India Establishes Forward Base Overlooking the Malaca Straits

India is expanding a small airfield at Campbell Bay at the southernmost tip of Andaman and Nikobar islands into a full scale 'forward operating base', extending its surveillance over the strategic Malaca straits, an area of strategic importance that has been the site of growing piracy activity in recent years. The improved facilities at the new 'Baaz' airbase will support larger aircraft including the new C-130J. The new base is also likely to support India's new P-8I Medium Range Maritime Reconnaissance (MRMR) planes as they become operational. The new location overlooks the western access to the Malacca Straits which links the Indian and Pacific oceans. India already operates naval bases at Port Blair and Car Nicobar in the Andaman and Nicobar Islands. ([The Telegraph](#))

### South China Sea dispute Casts Shadow on ASEAN Conference

The recent regional summit ended in acrimony on Friday failing to agree on a concluding joint statement for the first time in 45 years. The ten country members of the Association of Southeast Asian Nations (ASEAN) failed to reach a statement over conflict of interest among

members supporting or objecting China's territorial claims.

A major cause for tension is the South China Sea, which has become Asia's biggest potential military flashpoint. Beijing's sovereignty claim over a huge, looping area has set it against Vietnam and the Philippines as the three countries race to tap these mineral-rich areas. Malaysia, Brunei and Taiwan also lay claim to parts of the South China Sea.

The rising tension was underlined on Friday when the Chinese navy confirmed that one of its frigates had run aground on Half Moon Shoal, about 90 nautical miles (170 km) off the western Philippine island of Palawan. China said it was conducting a rescue mission while the Philippines were deploying "assets" to the area. Last year the Philippines scrambled aircraft and ships to the Reed Bank area after Chinese navy ships threatened to ram a Philippine survey ship.

In June China said it had begun "combat-ready" patrols in waters it said were under its control in the South China Sea, challenging a Vietnamese law asserting sovereignty over the Paracel and Spratly islands. China also claims sovereignty over the Scarborough Shoal which is also within the Economic Exclusion Zone of the Philippines.

## DEFENSE UPDATE EXECUTIVE EDITION

This newsletter edition of the leading website Defense-Update provides defense professionals with a concise and focused briefing highlighting the important and relevant topics that made news recently, or are considered by our editorial team as worth reading.

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