



# **Defence Review 2014 : Radar & EW Perspective**

**Molahlegi Molohe**

**Acting Radar & EW Senior Manager**

**Date: 7 August 2014**

**My Perspective On The Impact Of Defence  
Review 2014 On Radar & EW Industry**

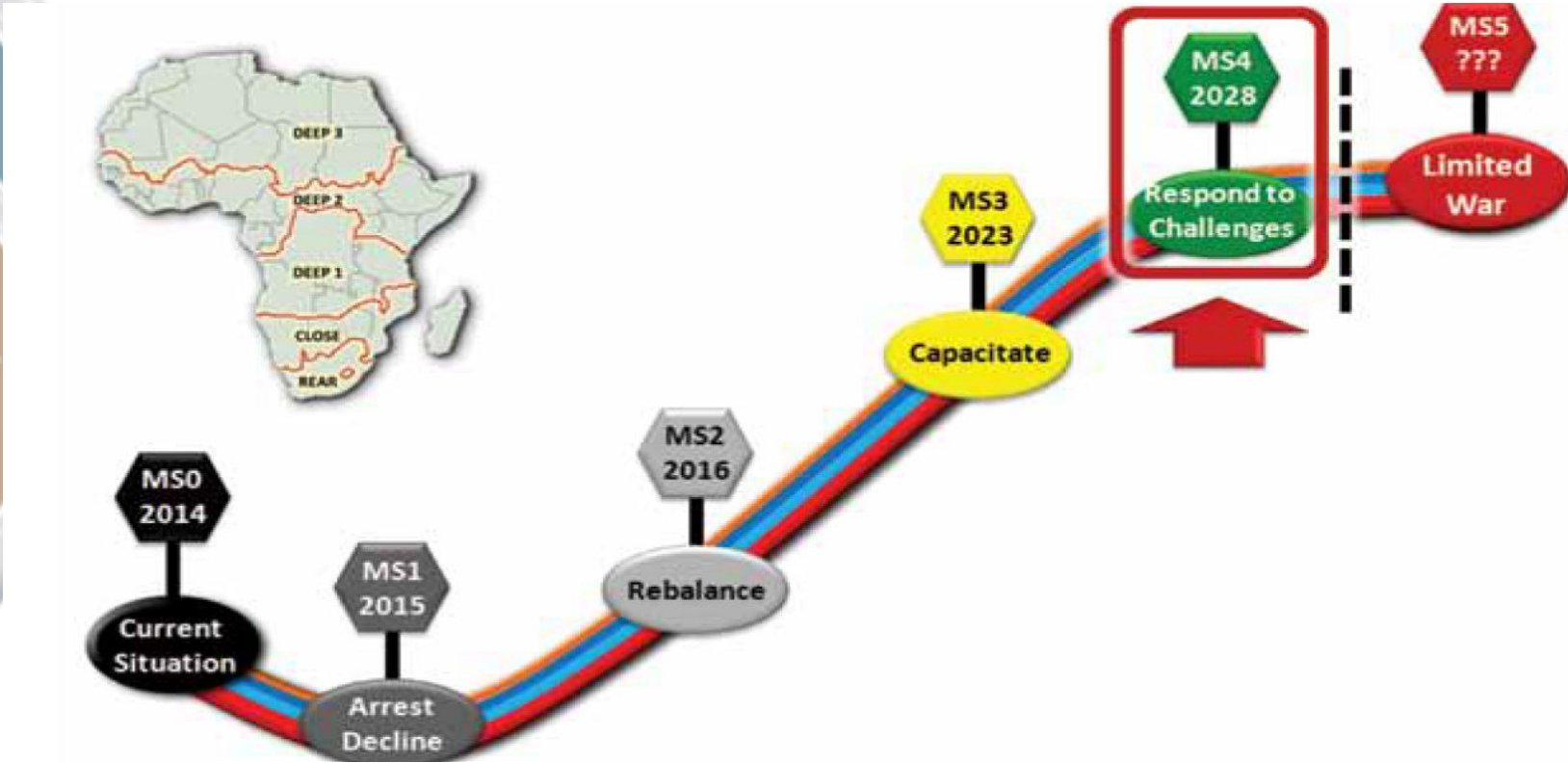


## SCOPE

- **Defence Budget**
- **Budget Impact On Defence Industry**
- **Strategic Independence**
- **Sovereign Capability**
- **Types Of Defence Industries**
- **Role Of Defence Industry**
- **Role Of Armscor : Radar & EW**
- **Defence Review Status**
- **Conclusion**



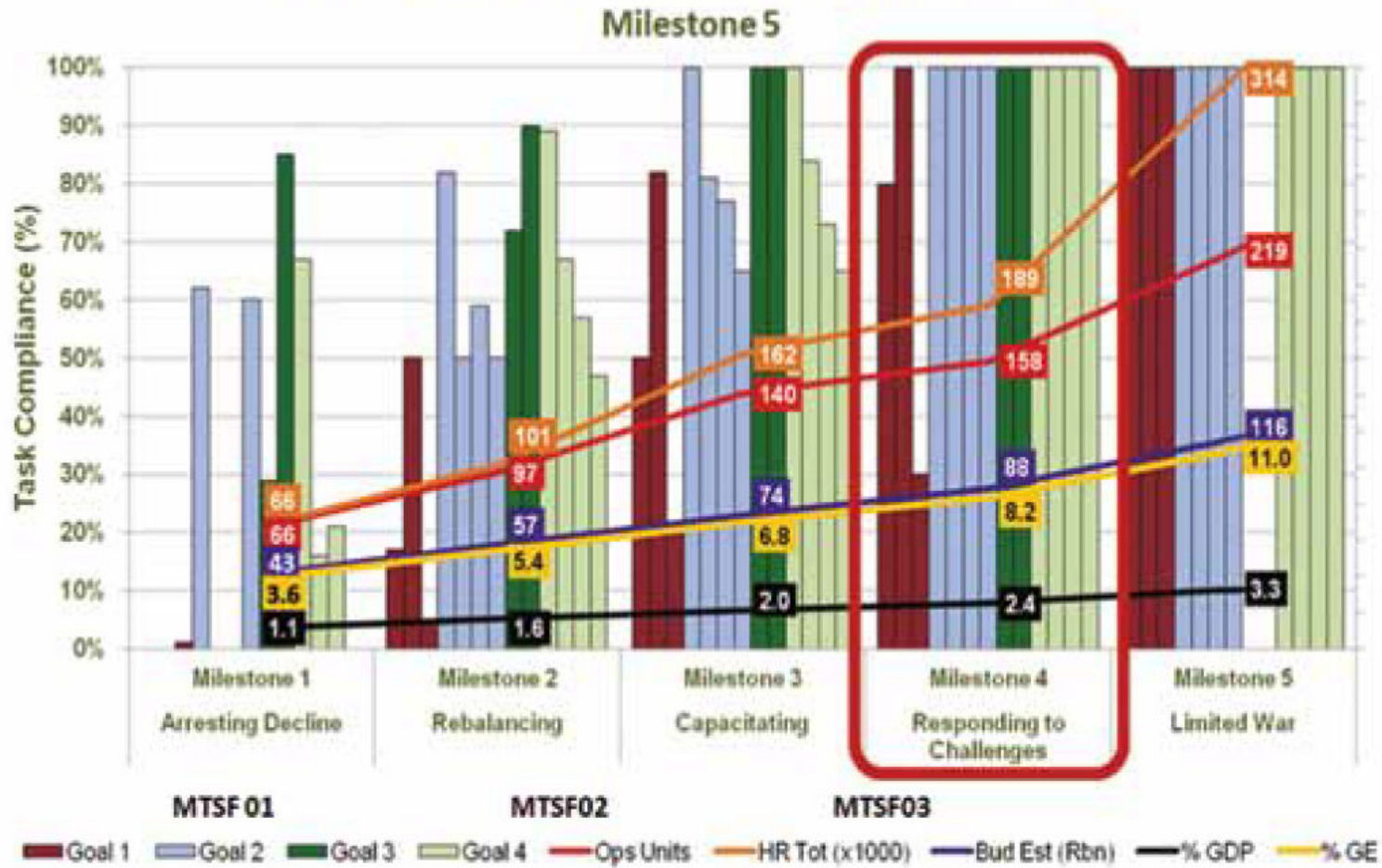
## Defence Strategic Trajectory





# DR2014 : Radar & EW

## DEFENCE DEVELOPMENT TRAJECTORY





**ARMSCOR**  
Armaments Corporation of South Africa SOC Ltd

## DR2014 : Radar & EW

### **Budget Impact On Defence Industry**

- **Foreign ownership**
- **Export opportunities**
- **Reduction of staff**
- **Loss of capability in certain areas**
- **Loss of capable staff in SANDF**



## **Strategic Independence**

- **Self reliance on performance of key functions for an extended period.**

- Support, maintain & repair critical products and systems
- Manufacture critical modules
- Operational research
- Perform Test and Evaluation
- R&D that is in line with SANDF Requirements



## **Sovereign Capability**

- **Full national control of capabilities identified as vital to national security.**
  - Integration & support of systems
  - Design, develop & support algorithms and S/W
  - Design, develop, manufacture & support H/W
  - Control by SOE or RSA owned company



## **Types Of Defence Companies**

- **South African Defence Company**
  - Single source
- **Partially RSA Owned Defence Company**
  - When necessary
- **South African Based Company**
  - With special permission
- **Foreign controlled defence company**
  - Never
- **Foreign Company**
  - Never





## **Role Of Defence Industry**

- **Provide high quality products on time and at a reasonable cost**
- **Support products with quick response times for 20 to 30 years**
- **Explore external markets especially in Africa**
- **Ensure continuity of capability by transferring skills to young engineering graduates.**
- **Look for manufacturing opportunities of foreign products.**



**ARMSCOR**  
Armaments Corporation of South Africa SOC Ltd

## DR2014 : Radar & EW

### **Role Of Defence Industry Continued**

- **Reduce unemployment rate**
- **Reduce inequality**
- **Reduce high poverty levels**



## **Role Of Armscor : Radar & EW**

- **National Defence Industry Council**
  - Influence Radar & EW policies and strategies through Armscor CEO.
- **Support of SMMEs**
- **Ensure the transformation of the defence industry**
- **Continuous technology development**
- **Promote faster acquisition processes.**
- **Ensure protection of sovereign capability**
- **Maintain strategic Independence**



## **Role Of Armscor : Radar & EW Continued**

- **Give preference to local companies**
- **Support dual use products which will contribute to technology base of the country**
- **Contribute to development and sustainment local defence industry**
- **Inform industry about future projects**
- **Intellectual property management**



## Defence Review Status

- **Cabinet approved on 17 March 2014**
- **Parliamentary approval expected in mid August 2014**
- **Extra R11.4b for 2014/15**
- **An additional R11.2b in 2015/16**



## **Conclusion**

- ✓ **Increased defence budget is good news for South Africa**
- ✓ **Defence industry must transform to reflect the country's demographics.**
- ✓ **Internal skills transfer must happen**
- ✓ **Armcor must support local defence industry while continuing to solve SANDF problems**
- ✓ **Dealing with the three scourges facing RSA**