

DECISIVE YEAR FOR THE MODERNIZATION OF THE ARMED FORCES

The market expects decisions on tenders as soon as possible. The Minister of the Defense announced that within the next six months the following tenders will be resolved: multipurpose helicopter, drones and Wisła program.

The Minister also announced that within the coming days he will place an order with the Polish shipyards for the construction of the "Czapla and Miecznik". If this happens, it will be a very good decision which will make us gradually regain the ability to produce warships.

The only thing that we will have to do will be to choose the right partner, preferably one that will allow for the biggest technology transfer to the Polish armament sector. The plan is ambitious but realistic. Because of the political calendar, it seems that the Wisła program will be resolved shortly after Easter.

The entire market says that if Americans get Wisła, which seems rather certain, given a very strong political support given to Raytheon by the administration - it is worth reviewing tweets of the USA Ambassador - then in the context of political balance and gratitude, the French will get multipurpose helicopters and submarines. Time will show..

The gameplay on the drone market will be very interesting. We will have one Israeli company - following a fratricidal fight between US corporations and Thales UK - but these are still the French. In my opinion, after the fratricidal rivalry, Israeli products have lost their chances for sale in Poland. For me, Americans are the favorites.

As regards the multipurpose helicopters, the Ministry of the Defense should look carefully at the Turkish products and the way Turkey has obtained the ability to produce helicopters. It is worth following the Turkish example. The implementation of the Turkish solutions would certainly strongly reinforce Pegasus and the entire defense industry.

The situation of Wisła will develop in the following way: the French as the losers will start protesting. They will persuade the European Commission to look more closely at this tender.

Can the European Commission contest the offset associated with this project?

I guess it will try, but a superficial review of the case law of the European Court of Justice shows that these efforts may be doomed to failure. Undoubtedly, anti-aircraft and anti-missile defense are one of the most important issues of national security, whereas the ECJ case law tends to leave resolution of the most important issues of security for the states

It is unknown what kind of agreement we will be able to negotiate with Raytheon. The press informs

that at the present day none of the tenderers is able to comply with all the requirements of the Ministry of Defense. An open agreement would be good. The Ministry of Defense should also be a tough negotiator and persuade Raytheon to involve Rafael as a subcontractor.

Then technology transfer would be possible, and offset would not amount to 2 to 5%, as it will be the case if we buy the "pure" Patriot.