

India agrees to buy ex-Mig-29s and Palm Oil from Malaysia to secure LCA deal

Politics may be the deciding factor in a RM36 billion deal to supply light combat aircraft to the Royal Malaysian Air Force over the next 10 years, according to a Singapore news report. The aircraft on offer are believed to be the F-50 by Korea Aerospace Industries of South Korea, Tejas by Hindustan Aeronautics (India), YAK-130 by Irkut Aerospace (Russia), JF-17 Thunder (Pakistan) and the Alenia Aermacchi M-346 Master (Italy).

According to the Straits Times newspaper in Singapore, defence industry executives believe that the RMAF top brass is partial towards South Korea's FA-50 jets, but its critics contend that the single-seater aircraft is not suitable because it does not have the capability for air-to-air refuelling.

A decision is expected in the coming months, the report said. It noted that the intended purchase of 30 light combat aircraft was turning out to be a policy challenge as arms suppliers with strong ties to the previous government face competition from new suppliers.

The tussle to secure the contract is being waged by local agents of the manufacturers and are "typically little-known private entities whose well-connected shareholders hide behind business proxies to shield their involvement", the report said.

The ST quoted unnamed defence industry executives as saying that the FA-50 is being represented by a little-known private entity Kemal Systems, Tejas by Forte Drus, JF-17 by Kharisma Wira, the YAK-130 by Sarawak-based Sovereign Strategic. Aermacchi's representative was not known.

"The armed forces always have their wish list but it is politics that will decide what Malaysia buys," a senior executive of a local defence agency is quoted as saying.

There was also a strong lobby from Pakistan, whose prime minister Imran Khan enjoys close ties with prime minister Dr Mahathir Mohamad. However, Pakistan could fail because Malaysia intends to link the arms deals to purchases of palm oil.

India, one of Malaysia's largest buyers of palm oil, has reportedly offered to acquire Malaysia's retired MiG-29 fighter jets to boost its chances.

The RMAF currently operates a mixed fleet of supersonic fighters and multi-role combat aircraft, comprising 13 Russian-made MiG-29s (now retired) and 18 Sukhoi SU-30MKM "Flanker", and eight F/A-18D Hornet made by Boeing of the United States. There are also 13 British-made Hawk 208 light attack aircraft.

The air force also operates five Hawk 108 and seven Aermacchi MB-339 jet trainers.

<http://www.defencenews.in/article/India-agrees-to-buy-ex-Mig-29s-and-Palm-Oil-from-Malaysia-to-secure-LCA-deal-584777>