

Financial Times

Russia's reliance on Ukraine for military hardware raises fears By Jan Cienski in Warsaw The Motor Sich plant in Zaporozhia, 230km west of Donetsk, makes the engines for most Russian military helicopters, including the Mi-24, which has been used to patrol the border with Ukraine in the recent troop build-up. But the Russian air force's dependence on the Motor Sich plant is causing concern for military strategists. Kiev accuses separatists of torture Geneva deal means little in Lugansk Russia looks for economic self-reliance "It is difficult to overestimate the significance of Motor Sich for our aviation," wrote Vladimir Voronov, a military analyst, in *Sovershenno Sekretno*, a Russian investigative magazine. Motor Sich is part of Ukraine's military-industrial complex, which has close ties with Russia and, until recently, was uncontroversial. However, following last month's annexation of Crimea by Russia and the build-up of tension in the east, Ukraine has suspended all military deliveries to Russia. The freeze, by Ukroboronprom, the arms export monopoly, also affects Russia's military exports because many weapons incorporate Ukrainian elements. As well as the Mi-24s, Ukrainian factories, mainly located in the east and south, also produce the R-27 medium-range air-to-air missiles for the Russian air force and many critical components. These include drogue parachutes, used to slow aircraft landings, and hydraulics for fighter jets, according to a new report by the Royal United Services Institute, a London-based defence think-tank. In depth Crisis in Ukraine In depth: pro-EU Ukrain rallies Russia's President Vladimir Putin moved swiftly to annex Crimea, in the first land grab in Europe since the second world war, and EU and US are worried over Moscow's intentions elsewhere in Ukraine Ukraine also makes the gears used in many Russian ships and transport planes at the Antonov factory in Kiev. The Yuzhmash factory in Dnipropetrovsk, in south-central Ukraine, designs, produces and maintains Russia's SS-18 intercontinental ballistic missiles as well as components for its space rockets. Anders Aslund, a Swedish economist who was an adviser to the Kremlin in the 1990s and to Ukraine a decade ago, says the reliance on Ukraine could be a factor in any Russian invasion. "The military-industrial complex in Russia has been very strongly in favour of incursion into Ukraine and wants to annex southeast Ukraine to take control of those plants," said Mr Aslund, a senior fellow at the Peterson Institute for International Economics in Washington. Without engines from Motor Sich, Russia's plans of adding as many as 1,000 attack helicopters to its fleet becomes much more difficult. Russia has been working to develop its own engine plants, but is still heavily dependent on Ukrainian production. Ukraine was a core part of the Soviet Union's industrial might. After the collapse of the USSR, about a third of the Soviet defence industry was left in Ukraine. Today,

about 40 per cent of Ukraine's exports to Russia consist of machinery and armaments, according to Mr Aslund. Russia is engaged in a 10-year rearmament programme worth about Rbs23tn (\$646bn). Initially, some of that was to be bought from abroad, such as two Mistral amphibious assault ships being built in France. Those orders are now threatened by potential sanctions. "Russia will have no choice but to move towards a more autarchical model for its military purchases," said Andrew Michta, of the Centre for European Policy Analysis, a Washington think-tank. But in the conclusion to its report on the Ukrainian defence industry, Rusi says the invasion of Ukraine by Russia to capture production of military equipment would be "a very 19th-century way of looking at a 21st-century relationship". Rusi added that even that extreme scenario could not be ruled out in current circumstances.