

**Haaretz20130519 Israel is world's largest exporter of drones, study finds By Gili Cohen**

In eight years, Israel exported \$4.6 billion worth of UAVs to countries ranging from Britain to India and Uganda.



**in the Israel Air Force**

<b>Shoval)</b>		
only for reconnaissance and intelligence		
in service since 2007	Wing span: 16.6 m	
manufactured by Israel	Range: 350 km	
<b>Eitan)</b>		
reconnaissance; foreign reports say can also		
in service since 2010	Wing span: 26 m	
manufactured by Israel	Range: 4,500 km	
450		

Israel is the world's largest exporter of unmanned aircraft, in terms of the number of systems sold, a study has found.

Over the last eight years Israel has exported \$4.6 billion worth of unmanned aerial vehicles, according to a study by the business consulting firm Frost & Sullivan.

UAVs, or drones, constitute nearly 10 percent of Israel's total military exports.

Unmanned equipment exports are a relatively volatile market, the report shows.

Israel had \$150 million in UAV exports in 2008, a figure which increased substantially in 2009 to \$650 million. Exports of the small surveillance planes peaked in 2010, a record year for drone sales, to \$979 million.

Sales since dropped off: In 2011, exports of UAVs slumped to \$627 million, and in 2012 they declined further to \$260 million.

Frost & Sullivan notes that this last figure does not factor in a major deal signed with India for the upgrade of unmanned aircraft. If that deal were to be included, it would boost the average annual export figures in the sector by about \$100 million.

Israel's average overall military exports over the past eight years have been about \$6.1 billion a year. UAVs constituted about \$578 million of that figure.

Israel is considered a powerhouse in the field of unmanned aircraft, primarily due to the Israel Air Forces' impressive squadrons of UAVs. These include the Eitan, which boasts a wingspan of up to 26 meters; and the Hermes 450, which according to foreign reports can be armed to carry out targeted killings from the air.

Just over half of Israel's UAV exports from 2005 through 2012 were to Europe, according to the report, with a particularly large number of aircraft supplied to Britain's Watchkeeper UAV program, a joint project of Israel's Elbit Systems and the French multinational firm Thales. Watchkeeper aircraft are based on Elbit's Hermes 450 UAV.

Drones were also sold to Germany, Poland, the Netherlands and Spain.

A third of the exports from 2005 to 2012 were destined for the Asia-Pacific region, including Azerbaijan and India. About 11 percent of the foreign sales, totaling \$508 million, were to customers in South America.

The United States accounted for a mere 3.9 percent of Israel's UAV export sales from 2005 to 2012.

Customers in Africa, including Uganda, Ethiopia and Nigeria, represented 1.5 percent of drone exports, about \$69 million.

Not all UAV exports were intended for military use, according to the report. Some equipment was reportedly sold for domestic security and for use in urban areas.

Israel's overall military exports are expected to grow in the next few years as Israeli firms continue to sign new orders with foreign customers, says Eran Flumin, who heads Frost & Sullivan's Israel operations.

Israel's unmanned aircraft are meanwhile being aggressively marketed in markets where demand is growing, such as Africa, the Asia-Pacific region and South America, he said.