Introduction

SLIDE 1

Gentlemen, it is an honor to be today among you, on the occasion of my visit in the USA. This visit comes at a critical point for our bilateral relations with the US Navy, which we seek to enhance. My intention is to bring you up to date with the latest developments in our region and the posture of the Hellenic Navy, as well as our vision and aspirations.

Geopolitical situation – Greece's perspective

SLIDE 2

To begin with there is geography: Greece's position in a very important crossroad that connects 3 continents, has always been a blessing but also a heavy burden. Promoting the regional security and stability is considered of paramount importance for our own existence. Nowadays, the key challenges in the area include the long-lasting Middle East disputes, the Syria's enduring crisis and the developing situation in Northern Africa. These developments have caused - apart from the enormous death toll - an unprecedented refugee crisis and illegal migration flows to Europe. Moreover, there are constant disputes over territorial seas and Economic Exclusive Zones, an everlasting competition for the control of natural resources and an increasing need for security of the energy supply lanes. All these factors compile an extremely difficult and complex canvas where no easy solution could be found.

SLIDE 3

Today Maritime Security is a quite demanding goal to achieve. At the high end of the spectrum of the contemporary challenges one can find the use of force against sovereign entities, or even the associated threats; hence we have to deal with purely defense issues. At the low end of that virtual spectrum, we see challenges that have to do more with safety than security. Environmental risks, natural or man-made disasters and maritime trafficking of cultural property certainly fall into that category. The rest of the spectrum is comprised of other challenges such as cross-border and organized crime, piracy, armed robbery, proliferation of weapons of mass destruction, terrorism, and threats to the freedom of Navigation, which again could be considered as terrorism.

SLIDE 4

Let's face the facts: The Middle East is afire, and consequently, Eastern Mediterranean is at the center of a titanic geo-political and strategic struggle. The time to act preemptively has long gone; however, there is still a need to respond, but much faster. The crucial time factor, combined with the complexity of the issues, place a premium on the ability to respond quickly,

something that Navy does well due to its nature and attributes, mainly to be forward present and to operate freely in international waters. This is the reason why Navy has always been the tip of the spear for the implementation of military diplomacy, in the context of foreign policy.

Situation in Greece

SLIDE 5

It is a fact that today Greece is facing some pressing issues.

To begin with we are facing an unprecedented fiscal crisis that resulted to significant budget cuts. The restricted allocated budget remains the most crucial problem for our planning. Nearly a decade of reduced defence spending has had a profound effect on the Hellenic Navy. Our budget declined by more than 50% as shown on the slide. Despite the fact that there is a light at the end of the tunnel, we are far from being content with the numbers.

SLIDE 6

But there is also another important factor that should be taken into account: Although we spend more than 2% of the GDP on defence, thus meeting NATO standards and requirement, the shrinking of the GDP itself, led to the proportional decrease of the actual amount spent. On top of that, the expenditure on major equipment is limited, as also shown on the slide. That means we will not able to renew our units in the near future.

SLIDE 7

Despite these discouraging figures, we managed to maintain our operational ability, readiness and availability of our units. In addition, we did not come short on our commitments in NATO and EU, and we maintained a strong deterrent posture in the Aegean. How we did that? Well, the answer might sound simple, but I can assure it is not: We learn to do the same things in different ways. The crisis forced us to be more flexible, adaptive, innovative and resourceful. But, obviously, this is not enough! (I could come back on that during the Q&A session).

Let's be frank. The key point is that we lack sufficient resources to update or replace major systems as they become due for renewal. That stands not only for electronic devices and weapons, but also for platforms. You should keep in mind that the backbone of the fleet is comprised of Dutch Frigates built in the 80s and the 4 German MEKO class frigates, built in late 90s are due to midlife modernization that will extend their operational life for 20 years.

One could argue that we maintain a fleet that we cannot afford. While this seems a legitimate point, our concern is that by decreasing the size of the fleet we will certainly loose specialized and trained personnel and specific capabilities that we absolutely need. And that takes me to the second point. The real and imminent threat we face. Turkey.

SLIDE 8

As part of its revisionist policy, Turkey has continuously increased the tension in our bilateral relations by proceeding to actions that violate international law and practices. Especially in the last three years, we have witnessed not only a quantitative, but also a qualitative surge in these provocative activities.

Our stance is well known: We do believe in good neighbouring relations. After all, Greece and Turkey are NATO allies, and we support its accession into the European Union, under certain preconditions, of course. However, we are absolutely determined to safeguard our territorial integrity and our sovereign rights and - to that end - we will continue to maintain a strong deterrent posture. (Again, I could come back on that topic during the Q&A session).

SLIDE 9

Another pressing issue that has to be addressed by the Hellenic Navy is the illegal migration. That specific challenge stretches across the borders, calls for a flexible response that overcomes the bureaucratic barriers, as it combines law enforcement with pure defense capabilities, correlates the humanitarian aid with the perception of safety for the majority of the population in the western societies and stands high in the political agenda of each and every European Government.

SLIDE 10

Although it is mainly a Coast Guard responsibility, the Navy provides support whenever and wherever it is required. To that end we have permanently allocated 3-4 units, on a 24/7 basis, to patrol the crossing corridors to our islands. The numbers speak for themselves. After the significant surge of the migration flows in 2015 and the establishment of the NATO operation with the name 'Aegean Activity' in March 2016, we have managed to stabilize the situation. In 2017 until today, we have encountered approximately 24.386 immigrants/refugees. Moreover, we have to note that both the EU-Turkey agreement for settling the refugees in the Turkish soil and the closure of the so called 'Balkan's road' played their part in controlling the influx.

SLIDE 11

Last, but certainly not least, the Navy is concerned with the security of energy supply lanes and sea-bed resources including fossil fuel reserves, in the western and southern sea blocks of Greece. Threats and challenges related to Energy Security will certainly constitute a quite challenging future war fighting domain, due to the complexity that characterizes the protection of Critical Energy Infrastructure in the Maritime Domain.

SLIDE 12

Two are the projects of our main focus; the Trans Adriatic Pipeline (TAP), a natural gas pipeline starting from Greece, crossing Albania and the Adriatic Sea and come ashore in southern Italy, and the potential oil or natural gas reserves in the Ionian and the Mediterranean Sea south of Crete.

Fleet - vision 2025 - programs

SLIDE 13

In light of the aforementioned challenges, our Force Structure must be tailored to the particularities of the operational environment in the Aegean and the eastern Mediterranean, providing our forces with the means to project power to the area of strategic interest.

In order to achieve this, and even in times of fewer resources at our disposal, we have recently revised our level of ambition toward the year 2025. Of particular interest are the firm decisions to:

- a. Maintain the current number of Frigates to 13 and explore the possibility of running a mid-life modernization program for the MEKO Frigates.
- b. Increase the number of Diesel Submarines, provided that all six 214 Type units will be commissioned as scheduled. So far, the first 4 have been commissioned.
- c. Integrate 7 Super Vita Fast Attack Crafts, with the first 5 being already in service and the other 2 being expected in 2018.
- d. Reactivate 4 MPAs P3-B, thus allowing the Hellenic Navy to meet its future Maritime Air Patrol mission requirements till 2040.

SLIDE 14

I would also like to underline that it is of utmost importance to keep a certain operational level. To that end, it is interesting to note that the considerable deployments and ops training drop of 2012, a year which marked the culmination of the financial crisis, is now firmly reversed with last year's values exceeding those of 2009, which constitutes an achievement of its own. The same operational tempo continues for 2017.

SLIDE 15

Apart from the national tasks, the Hellenic Navy units operate seamlessly within NATO, the EU and the UN, thus continuously supporting the wider effort of Maritime Security:

- a. In this context, the HN is contributing to NATO's Standing Maritime Forces, with assets and personnel.
- b. We allocate forces and capabilities to the NATO Operation SEA GUARDIAN in the Eastern Med.
- c. We continue supporting the EU operation EUNAVFORMED SOPHIA in the Central Med and operation "ATALANTA" in the western Indian Ocean, with assets and personnel.
- d. And we participate in the UNIFIL operation, off the Lebanese coast in the eastern Mediterranean, since 2007.

Regional and bilateral cooperation

SLIDE 16

The operational cooperation through naval exercises and operations stands at the top of our priorities. That cooperation is designed at a bilateral, multilateral or regional context, as shown on the slide.

I would like to draw your attention to the yearly regional exercise NOBLE DINA that we conduct along with the US and the Israeli Navy, the MEDUSA and ALEXANDRIA series with the Egyptian Navy in bilateral context, and the yearly activation of the Adriatic and Ionian on call maritime Force (OCMF) to conduct the ADRION LIVEX.

On top of that, there are several Invitational Exercises that the Hellenic Navy hosts (3-4 per year), where the presence and active participation of the NATO Standing Naval Forces provides an added value to the operational training.

SLIDE 17

Moreover, the Hellenic Navy conducts frequent Navy to Navy staff talks with the Navies shown on the screen. The agreed activities of the N2N staff talks form the basis of our cooperation in various fields such as operational co-training, personnel training, logistic support and so on.

SLIDE 18

Besides the Navy to Navy Staff Talks, the Hellenic Navy maintains various levels of cooperation with the Navies of the countries shown on the slide. This cooperation is within the context of the wider Military Cooperation agreed between the Hellenic Defense General Staff and the respective authorities of these countries.

HN-USN cooperation

SLIDE 19

Regarding the two Navies' cooperation, it goes beyond saying that it stands at a very good level. However, our firm belief is that both sides could do even better. And I will mention, once again, geography. Greece has been blessed with an invaluable jewel, the island of CRETE. The NATO's military gem in the Eastern Mediterranean. Its location is of paramount strategic importance as shown in the slide, where the distances of the island from various points of interest are depicted.

SLIDE 20

In addition, the US naval units, transiting to and from the theater of operations may exploit the support and training facilities available in Souda Bay, as it constitutes a "One-Stop Shop". As the US Ambassador in Athens stated, 'It is the only place between Norfolk and the Persian Gulf where the USN has a carrier capable pier next to a large airfield that provides unique assets in terms of their ability to resupply, repair and replenish'. And this was proven one more time in April 17, when USN assets were replenished with long range missiles prior to their deployment in East Med. Moreover, and I will quote Mr. Pyatt once again, 'Souda provides an excellent environment for the co-training of our SOF and pilots". To that end, we are currently finalizing the process to host a USN SOF Detachment permanently in Crete.

SLIDE 21

Apart from Souda Bay there are other bases and installation in Aegean that the USN could include in its operational planning, such as Skyros, Thessaloniki, Leros, and Alexandroupoli. As far as the latter is concerned, it has already proved its operational value to facilitate the fast deployment of troops and equipment in the theater of South Eastern Europe. In addition, there are numerous fields where our bilateral cooperation could and should be enhanced, such as education and training at all levels.

Pragmatic and fair approach

SLIDE 22

But why to invest the political capital in Greece and why to closely cooperate with the Hellenic Navy?

You would certainly agree that the broader Middle East, from Gibraltar Straits to the Gulf, is of paramount importance for the US interests. The security and stability in the area is placed among the top priorities of the US State Department, and – to that end – Navy as the main tool for military diplomacy is focused in that region.

Moreover, the CNO of the USN, Admiral Richardson was adamant about the role of the US in the world: 'To enhance security, legality and prosperity'. He also mentioned 'wisely choosing those who are willing to come on board'.

The need for reliable partners in order to build strong alliances through synergies and cooperation is one – if not the only – tool to achieve that goal. When it comes to Greece, you would agree that despite the geopolitical turmoil in the region and regardless of the recent fiscal condition, it remains a democratic, stable and secure country.

SLIDE 23

Moreover, Greece is a loyal member of NATO, EU, OSCE and numerous other regional organizations and initiatives and – at the same time – maintains close cooperation with both Israel and the Arab World. Therefore, in the current geopolitical situation in the Middle East and North Africa, Greece could act as the primary interlocutor between East and West. It is really hard to find a better candidate with the whole package!

SLIDE 24

When it comes to the Hellenic Navy, the key features of our added value include:

- a. The proved operational capabilities within and in the broader vicinity of the Hellenic territorial waters.
- b. The adaptability and flexibility we demonstrate when working with allies and partners.
- c. The global recognition as a common denominator for peace and stability in East Med, with the exception of irredentist and revisionist actors.
- d. The proof of being extremely resilient through and after a continuous crisis.
- e. The fact that our skills honed as classic threats remain and new ones emerge.

SLIDE 25

All in all, we could provide naval units so that US Navy resources are deployed in more 'needy' theaters; we could be 'there for you'.

But that relationship should work both ways. We are willing to provide support, to watch your back, but also <u>you</u> should be there for us. We have the facilities you could invest on, we have the operational experience, the trained personnel, and the knowledge of the theater of operation in the East Med;

therefore we need your assistance with the means: With systems and platforms.

Epilogue

SLIDE 26

Gentlemen,

Concluding my brief presentation I would like to assure you that in this time of rapid changes, turbulence and fiscal austerity, the Hellenic Navy is determined to remain on the "frontline", by continuously presenting its decisiveness to remain relevant, capable, credible, proactive and qualified.

In this manner, the HN maintains a "steady course" towards the future, with its naval tradition as the "compass"; and the preservation of stability, security and peace, along with the protection of our national integrity and interests, as its destination.

Thank you