

View Excel Chart for: 
 Cruisers
 Destroyers

5.2 Cruisers-Destroyers

5.2.1 Summary

The used international market for cruisers and destroyers will become very advantageous for potential recipients over the next decade as large numbers of these vessel types will become available while demand by prospective recipients is expected to be very low. Currently, 16 navies operate surface combatants of this size and only three new entrants are envisioned in the foreseeable future.

The majority of cruisers and destroyers are built by a handful of nations including China, France, Germany, Japan, India, Italy, Netherlands, Norway, Russia, Spain, United Kingdom, and United States. However, due to projected availability of vessels for transfer, only China, France, India, the United Kingdom and the United States are considered as prospective suppliers to the international market with a total of 66 hulls available for resale from 2004 through 2013.

Potential recipient navies number twelve although only five of these sea services have mission requirements for ships of the cruiser-destroyer size. The remaining eight nations may select a vessel as large as a destroyer in order to fulfill a frigate requirement, as the number of available frigates will become more constrained throughout the decade.

The following table depicts those nations that must be considered prospective suppliers and prospective recipients for used vessels from 2004 through 2013:

Prospective Suppliers of Used Cruisers and Destroyers (2004-2013)	Prospective Recipients of Used Cruisers and Destroyers (2004-2013)	
China	Argentina	Greece
France	Bangladesh *	Indonesia *
India	Brazil *	Mexico *
United Kingdom	Canada	Peru
United States	Chile *	Thailand *

* Denotes navies that do not have cruiser/destroyer requirements but may procure these vessels to fulfill a frigate requirement.

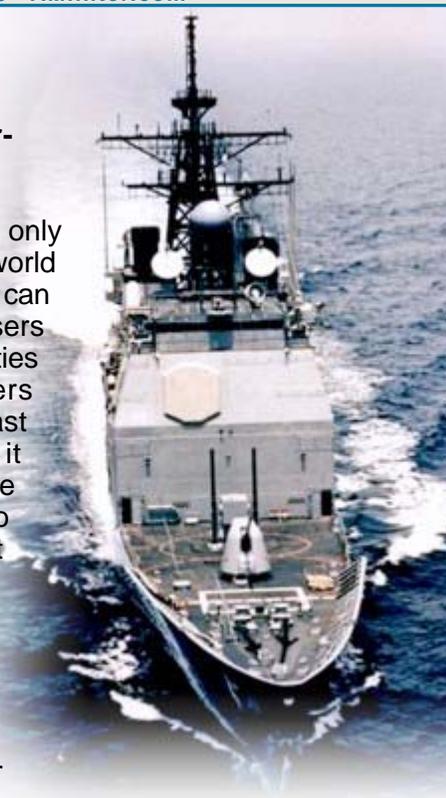
5.2.2 Navies with Cruiser-Destroyer Requirements

As of the early 21st century, only a handful of nations in the world operate large warships that can be classified as either cruisers or destroyers. The capabilities of cruisers and destroyers have merged over the past several decades making it difficult to distinguish the difference between the two types. Today, we find that cruisers and destroyers have similar or identical capabilities in the same mission areas such as anti-surface warfare (ASuW), anti-submarine warfare (ASW), and anti-air warfare (AAW).

The United States Navy is planning a cruiser modernization program that will bring to the Ticonderoga class cruisers a new theater ballistic missile defense (TBMD) mission. However, other navies seeking this capability are planning to add it to their destroyers (Japan, South Korea, Netherlands, and Germany), and so once again one is hard put to make any distinction between the two ship types.

The navies of the world that currently operate cruisers and destroyers include:

- Argentina
- Canada
- China
- France
- Germany
- Greece
- India
- Italy
- Japan
- Netherlands
- Norway
- Peru
- Romania
- Russia
- Spain
- United Kingdom
- United States



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The United States, Russia, and Peru are currently the only nations that operate large vessels that are identified as cruisers. However, many other navies as listed above also operate vessels of similar size and capabilities and are identified as destroyers or even as frigates. The United States operates the largest fleet of cruisers and destroyers with around 65 in commission at the end of 2003. China, France, Japan, India, Russia and the United Kingdom also operate large numbers of destroyers, with several nations such as Argentina, Canada, Greece, Italy, Germany, Norway, Peru and Spain operating five or less.

It must also be mentioned that South Korea is getting ready to enter the scene with its indigenous KDX-2 and KDX-3 Destroyer Programs. Romania on the other hand, currently operates a Marasesti class destroyer that will eventually be replaced by a smaller vessel of the frigate size.

5.2.3 Prospective Suppliers

Taking into consideration the nations that currently possess cruiser-destroyer sized vessels, the majority are built indigenously by the same nations that operate them, with relatively few relying on the used international market. In addition, these same nations typically operate these vessels over a thirty to thirty-five year life cycle, then replace the capability with a new construction vessel, freeing up the decommissioning cruisers/destroyers for resale.

The only nations that will be mentioned in this report as prospective suppliers are those navies that will be decommissioning cruisers and destroyers from 2004 through 2014 that are less than 35 years of age. Any vessel that is over 35 years of age will probably be decommissioned by the prospective supplier and not offered for resale on the international market due to their advanced age.

Prospective suppliers that will have available cruisers and destroyers that may be available from 2004 through 2014 include:

- China
- France
- India
- United Kingdom
- United States

Of the candidates listed above, the United States will probably have the most to offer considering it will be decommissioning five Ticonderoga class cruisers by 2005, and already has twenty-one Spruance class destroyers decommissioned with ten additional units to follow by 2005.

The United Kingdom will also have significant numbers of Type 42 (Manchester and Sheffield) class destroyers available for transfer from 2008 through 2012 as it begins commissioning its new Type 45 (Daring) class destroyers. Three of the Sheffield class destroyers will be



available as early as 2005 as the result of a downsizing initiative announced in the United Kingdoms Defense White Paper of 2003. China may also have significant numbers of Luda II class destroyers available as the new Guangzhou, Lanzhou, and Sovremenny classes begin to arrive on the scene later in the decade.

France could have up to six candidates available from 2011 through 2017 as the French Navy takes delivery of its new Horizon class destroyers and multi-purpose class frigates at the end of the decade. Although not considered a major player, India will have five Rajput class destroyers that could be come available around 2006 as the Indian Navy begins taking delivery of its indigenous Nilgiri (Project 17) class frigate by mid-decade.

Japan, although an operator of large numbers of destroyers, by policy, does not export military equipment. Russia, also an operator of large numbers of destroyers will probably not decommission or make available on the used international market any of its current fleet as severe financial restrictions will probably not allow for any decommissioning of units for the foreseeable future. As far as a provider of naval vessels for the foreign market, Russia would preferably sell new construction vessels as a way to generate revenue and help lower the cost of its own new construction programs.

Nations that currently operate cruisers and destroyers that may be candidates for transfer to a recipient nation over the next decade (2004-2014) are listed as follows with the prospective decommissioning date, vessel class, number available and country:

Country	Projected Years of Decommissioning	Class	Number Available
China	2004-2008	Luda II	8
India	Not Earlier than 2006	Rajput	5
France	2011-2017	Georges Leygues	6
United Kingdom	2005	Sheffield	3
United Kingdom	2008-2011	Sheffield	4
United Kingdom	2012-2015	Manchester	4
United States	2004-2005	Ticonderoga	5
United States	Already Decommissioned	Spruance	21

5.2.4 Prospective Recipients

Prospective recipients for used cruisers and destroyers have been identified based on analysis of each country's ability to construct vessels of this size and complexity, their ability and commitment to finance a program of this complexity, and finally, their current and projected fleet requirements. The analyses follow with potential recipients identified from each assessment.

Lack Ability to Construct

These navies, while traditional operators of cruisers and destroyers, lack the ability to construct vessels of this size and therefore have little choice but to procure used vessels.

- Argentina
- Peru

Lack Sufficient Funding/Commitment

In addition to the nations listed above there is a growing number of nations that, while having current plans for new destroyers, lack sufficient funding or political commitment to bring these plans to fruition.

- Canada
- Greece
- Turkey

It must be noted that Greece and Turkey are both planning air defense destroyer programs for the end of the decade, although actual commissionings will not take place until 2014 for both countries. Both countries are also investing very heavily in the expansion of their indigenous shipbuilding capabilities and it must be considered a top priority for both navies to succeed in their respective destroyer programs. Consideration to enter the used international market for a destroyer must be considered a last resort for Greece and Turkey, and for that reason neither country will be mentioned in the Assessment Section of this report.

Canada, on the other hand, also has a requirement for an air defense destroyer and has been planning for such a program over the past several years. Unlike Greece and Turkey, Canada has largely departed the naval shipbuilding arena over the past several years and will most likely need to utilize the international market either new or used to meet its requirements. For this reason,

Canada will be mentioned in the Assessment Section of this report.

Would Leverage Used Cruisers/Destroyers to Reshape Fleet

As a third category, there is a growing number of nations that may consider utilizing the used destroyer market to replace a current force of smaller vessels, more than likely of the frigate size. It must be noted that in most cases, these nations will select a frigate to replace a frigate (discussed more in depth in the frigate section of this report); however, depending on circumstances of the sale, a larger vessel of the destroyer size may be more suitable. As an example, the US has offered the Spruance class destroyer to several nations as replacements for frigates until new frigate programs can be realized by the recipient nations. Although much larger and more capable than the frigates they are replacing, the new destroyers are more modern, are in better condition, and offered for a better price than frigate solutions that may be available at the time of the requirement.

Candidates that may fall into this category may include:

- Bangladesh
- Brazil
- Ecuador
- Indonesia
- Mexico
- Thailand

One nation that was not mentioned in this section was Taiwan, which is currently in the midst of procuring four Kidd class destroyers from the United States. This program is already underway and need not be mentioned further in this report. Taiwan will probably not have any additional requirements for used vessels of this category for at least another decade, which is beyond the scope of the ten-year window of this report.

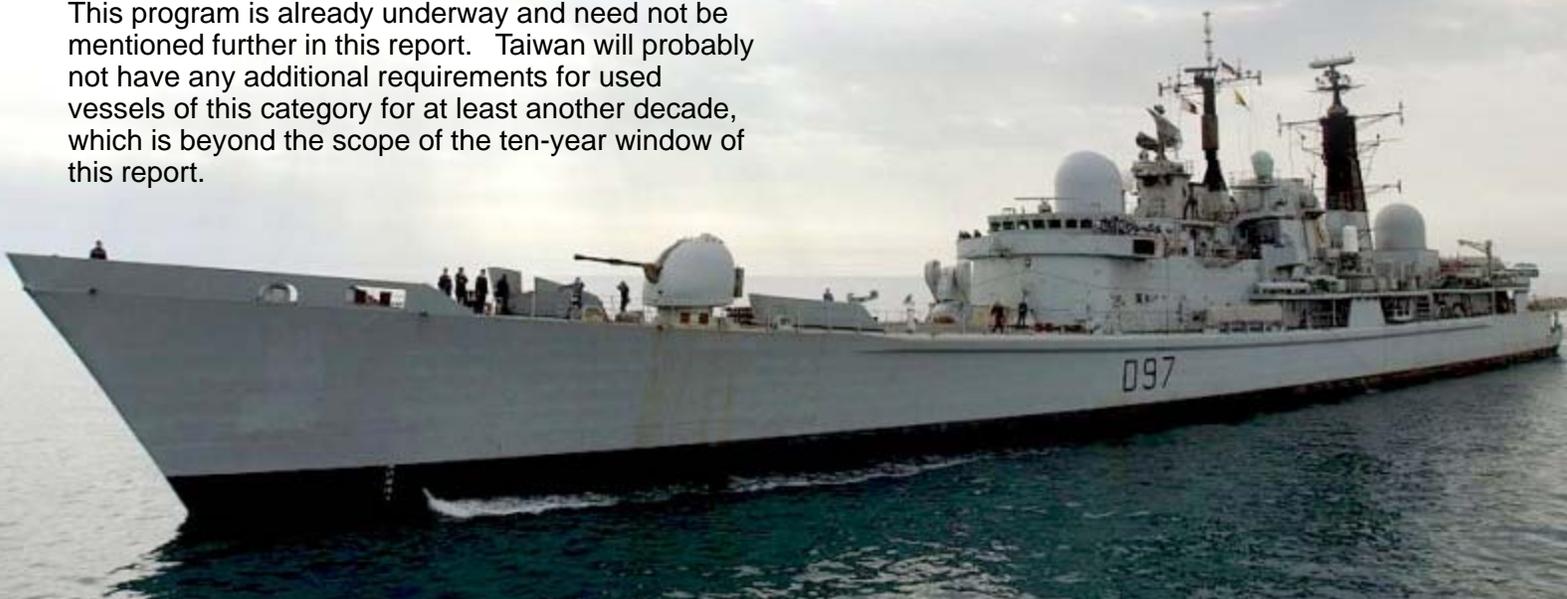
5.2.5 Situational Assessment of Potential Recipient Navies

The following provides a more in-depth situational assessment of each potential recipient navy. As a note, consideration to enter the used international market for a destroyer must be considered a last resort for Greece and Turkey, and for that reason no in-depth assessment is provided.

Argentina

The Argentine Navy currently has two Hercules (Type 42) class destroyers in its inventory. Built in 1976 and 1981, one of the vessels is used for spare parts and the second unit is largely non-operational. The Argentine Navy currently has no funding for the procurement of new naval vessels, and will concentrate on modernization programs through at least the end of the decade. New units to replace the Hercules class will probably not come to fruition until around 2017 at the earliest if it even occurs.

The Argentine Navy may begin looking at replacements as one unit is already used for spare parts and the other unit is largely non-operational. Prime candidates to replace the Hercules (Type 42) class destroyers would be the similar units from the Royal Navy (RN) as their remaining Type 42 (Sheffield and Manchester classes) begin decommissioning around 2005. However, as the RN is still proscribed from exporting defense equipment to Argentina, the country will have to find another source. Therefore, the Argentine Navy may look at the French Georges Leygues class or might expand its search to include frigates as well.



Bangladesh

The Bangladeshi Navy currently operates a mixture of aging British and South Korean frigates. The most recent delivery to the Bangladeshi Navy included the South Korean Modified Ulsan class frigate in 2001. Both British classes in service, the Leopard (Type 41) and Salisbury (Type 61), were built in the 1950s.

Due to an extremely limited budget, the Bangladeshi Navy has had a difficult time in funding new construction vessels. However, the sea service has a requirement for at least one new frigate and will eventually need to replace the Leopard and Salisbury classes.

Due to the myriad of suppliers for the Bangladeshi Navy in the past, it is anticipated that the sea service will consider many different options for its future fleet. Unfortunately for the Bangladeshi Navy it has always been short of funding for new vessels. Although the Navy requires frigate-sized vessels, it would probably accept smaller destroyers as an alternative that are in good material condition and that can be procured for a low price. For frigate options, please see the Frigate Section of this report.

Some of the destroyer options that would be available to Bangladesh are the British Type 42, which will begin decommissioning around 2005, and possibly the Chinese Luda II class destroyers. Although China has yet to transfer a major surface combatant, it is likely that the Chinese will eventually become a major player in the used ship market. A third, yet more remote possibility could be the Indian Rajput class destroyers should they start decommissioning in this decade. Although the Indian Navy has not officially announced the retirement of the Rajput class, it will begin commissioning Bangalore class destroyers and Project 17 class frigates by the end of the decade and may free up the aging Rajput class. However, the Indian Navy, like the Chinese Navy, has not transferred any major surface combatants to date and it would be a big political step to do so.

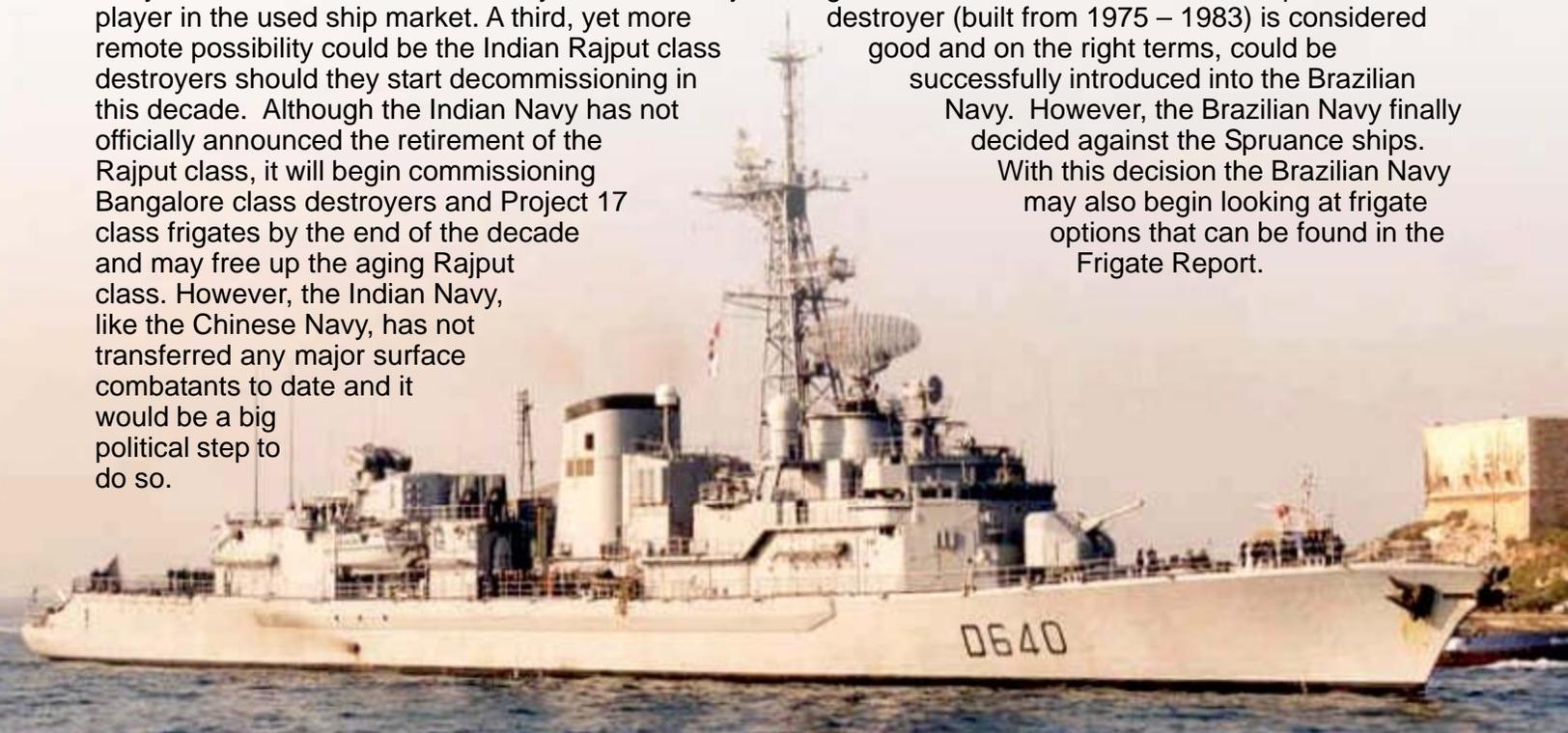
Brazil

Brazil currently maintains an aging force of frigates that were delivered from the 1970s through the 1990s.

Brazil has historically procured its large surface combatants from indigenous construction programs as well as from the used international market. Through the 1970s and 1980s, the Brazilian Navy took delivery of indigenous new construction Niteroi (first 3 built in the UK) and Inhauma class frigates, while at the same time capitalizing on the used international market with the procurement of two Garcia class frigates in the 1980s and four Broadsword (Type 22 Batch 2) class frigates from the United Kingdom in the 1990s.

Brazil continues the development of its indigenous shipbuilding capabilities with the Barroso class frigate (an enlarged Inhauma corvette) albeit slowly. Limited funding has basically forced the construction of the Barroso class to a very slow pace with the first unit taking 12 years from beginning of construction in 1994 to an expected commissioning in 2006. Due to the extremely slow construction time, the Brazilian Navy has been forced to consider alternatives from the used international market.

In 2003, the sea service apparently approached the United States for the possible acquisition of two to four Spruance class destroyers. Although the requirement is for the replacement of Para class frigates, the material condition of the Spruance destroyer (built from 1975 – 1983) is considered good and on the right terms, could be successfully introduced into the Brazilian Navy. However, the Brazilian Navy finally decided against the Spruance ships. With this decision the Brazilian Navy may also begin looking at frigate options that can be found in the Frigate Report.



Canada

Canada is currently planning for the replacement of its Iroquois class destroyers that were built in the early 1970s. Due to a decline in defense spending by almost 25% in recent years, the Canadian Navy is exploring all options to replace the only units in inventory that have a long-range anti-air warfare (AAW) capability with the SM-2 Standard surface-to-air missile (SAM). One of the options for the CADRE program are the construction of new surface combatants, which could now be an expensive endeavor since Canada departed the naval construction market in 2001. An alternative plan also being looked at is the modification of four units of the Halifax class frigates into air defense units.

One option that has not been officially considered to date is the acquisition of used vessels from the international market to fill this requirement. However, the equation has changed with the United States announcement in 2003 that it would decommission five Ticonderoga class cruisers by 2005. Although Canada has not had time to consider this possibility, it would make logical sense for Canada and the United States to consider this deal. For the United States, Canada is realistically the only market for the Ticonderoga class.

For Canada, the five Ticonderoga class in question were built from 1983 through 1987 and have a considerable amount of life remaining. Additionally, the AEGIS command system with the long-range SM-2 (already in inventory) would match the Canadian Navy's air defense requirements almost perfectly.

There are no other used vessels on the international market that match the air defense requirements of the Canadian Navy. If the used option is not favorable, then the Canadian Navy will have to utilize either the new construction option or the modification of the Halifax class, both carrying considerable risk and expense.

Ecuador

The Ecuadorian Navy currently operates two Leander class frigates that were procured from the United Kingdom. Built in the 1960s, the Ecuadorian Navy will probably begin considering the replacement of these vessels. Although the Ecuadorian Navy would like to start a new frigate program later in the decade, financial constraints will probably prevent it from happening.

Realistically, Ecuador will probably try to acquire used vessels from the international market to replace the two units of the Leander class. Although the Leander class are frigates, if the Ecuadorian Navy could find a destroyer in good material condition and for the right terms, it could acquire two of the vessels. Alternatively, Ecuador could wait for frigate-sized vessels at a later date. For frigate candidates, see the Frigate Section of this report.

If Ecuador elects to replace the Leander class with destroyers, prime candidates may include the British Sheffield (Type 42) class, which due to the recent British Defense White Paper will begin decommissioning around 2005 or the French Georges Leygues class that will begin decommissioning around 2008.



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As an alternative, the Ecuadorian Navy could elect to procure the United States Spruance class of which 21 have already been decommissioned, although Ecuador has historically utilized European suppliers for its naval needs.

Indonesia

Indonesia currently possesses a fleet of primarily used vessels from the international market. Unfortunately for the Indonesian Navy, it continues to be under funded and primarily relies on the international market to meet its naval requirements. Over the past several years, there has been talk from the Indonesian Navy concerning the expansion of the nation's shipbuilding base and the indigenous construction of submarines, corvettes, fast attack Craft (FAC) as well as amphibious and mine warfare vessels. As of early 2004, the Indonesian Navy signed a contract with Schelde Naval Shipbuilding for four new corvettes although many additional vessels are still needed.

Indonesia will probably continue to search the used market to help replace its fleet of Ahmad Yani (Van Speijk) class frigates acquired from the Netherlands in the 1960s and the Samadikun (Claud Jones) class frigates from the United States in the 1950s.

For Indonesia, the key will be condition and cost. The Indonesian Navy has been relegated to an outdated naval force incapable of protecting its own island chain and will probably be amiable to almost any deal from the used market in order to replace its aging fleet. Although the sea service does not operate any destroyer sized vessels, if the terms are right, the Indonesian Navy would probably consider the offer. For frigate options, see the Frigate Section of this report.

Another point that must be considered by Indonesia is the market itself, which will be restricted due to the international political climate associated with the internal

political situation, East Timor, and most recently the foreign perception that Indonesia has not been completely forthcoming in its International War on Terrorism. These events will probably continue to plague Indonesia for the foreseeable future, restricting the market in which Indonesia can do business.

However, Indonesia will still be heavily dependent on the used market and could possibly acquire any one of several options over the next decade including the French Georges Leygues class, the United Kingdom's Sheffield class, the Indian Rajput class or even the Chinese Luda II class. As mentioned earlier in this report, neither China nor India have ever transferred large surface combatants and this would be a key political hurdle to do so. The French and British options would probably be viewed on a case-by-case basis.

Mexico

Mexico is currently involved in new procurement programs involving Offshore Patrol Vessels (OPVs) and patrol boats. All of its needs for large surface combatants have been met traditionally from the used international market, primarily from the United States. Mexico does not have the ability to indigenously construct large naval vessels or integrate the same and will continue to rely on used vessels of the frigate size and larger.

Most recently, Mexico acquired the Knox class frigate (*Whipple*) from the United States in August of 2002. Additionally, the Mexican Navy has been offered Spruance class destroyers from the United States as replacements for the aging Quetzalcoatl (Gearing FRAM I) class built in the 1940s. Mexico turned down the offer for the Spruance class in 2003 owing to their size and manpower requirements. The Mexican Navy will probably attempt to replace their current frigate force with smaller frigates (see Frigate Section of this report) although the Spruance option will probably be considered as a last resort if no frigate options become available over the next several years.



Peru

Peru is currently in the midst of receiving four additional used Lupo class frigates from Italy. This acquisition will satisfy the majority of the major ship acquisitions for Peruvian Navy, with the exception of one larger vessel of the destroyer size.

The Peruvian Navy currently operates one De Ruyter class cruiser as a flagship and one Daring class destroyer. The Daring class destroyer will probably be decommissioned following the commissioning of the four used Lupo class from Italy. The Peruvian Navy may elect to replace the *De Ruyter* (commissioned in 1953) class with another large vessel of the destroyer size in order to maintain a flagship. Although there are no immediate plans to decommission the *De Ruyter*, the Peruvian Navy will probably begin looking for its replacement by the end of the decade.

Some of the candidates may include the Sheffield (Type 42) class from the United Kingdom, which will begin decommissioning in 2005, and the Georges Leygues class from France, which will begin decommissioning around 2008.

Thailand

Thailand is currently involved in several procurement programs including a new frigate program and a new Offshore Patrol Vessel Program (OPV). Although the Royal Thai Navy (RTN) prefers the acquisition of new naval vessels, budget constraints suggest that some requirements can be met by the used vessel market.

A Memorandum of Understanding (MoU) was signed between the Thai and United Kingdom Governments in 2001 concerning the procurement of new and vessels for the RTN from the United Kingdom. Part of the stipulation was for the acquisition of two used frigates from the United Kingdom as well as used vessels. If the RTN elects to procure used vessels from the United Kingdom, they could either be Type 42 destroyers of the Sheffield class or Manchester class, or the Broadsword (Type 22 Batch 3) class frigate. The Broadsword class may be decommissioned early (2005-2009) as the British Government made the decision in late 2003 to reduce the major surface combatant force from 32 to 27 units. The Sheffield class destroyers are expected to decommission from 2005 through 2011 and the Manchester class from 2012 through 2015.

If the RTN goes ahead with its plan for destroyers, these vessels will clearly be larger than any of the frigates currently in service with the Navy.

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