

ARCHIVED REPORT

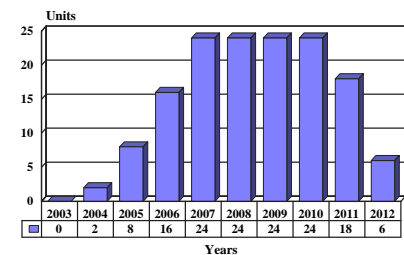
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Indian Air Force Advanced Trainer - Archived 2/2004

Outlook

- Talks with BAE over Hawk buy broken off
- New Delhi talking with Aero Vodochody, others
- No specific design called out; first deliveries expected 2005

10 Year Unit Production Forecast
2003 - 2012



Orientation

Description. Single-engined, two-seat advanced jet trainer.

Sponsor. Indian Ministry of Defence.

Contractors. To be selected.

Status. Finalist selection expected in early 2003.

Total Produced. None to date.

Application. Advanced flying training.

Price Range. Estimated \$10 million to \$12 million in 2003 US dollars.

Technical Data

Design Features. To be determined by finalist selection.

Variants/Upgrades

Not applicable.

Program Review

Background. The Indian Air Force has a long-standing requirement for an advanced jet trainer and, although the BAE Systems Hawk has nominally been "selected" on several occasions during the past 10 years, no contract has been signed.

In late 2002 a contract signing was reported to be imminent, but the New Delhi government and BAE Systems could not agree on a unit cost – India wanted

BAE to drop the price of the aircraft from \$18 million to about \$12 million to \$15 million.

India then opened talks with Aero Vodochody regarding a potential purchase of the Czech manufacturer's L-159 trainer. Earlier, New Delhi had held discussions with Yakovlev and Mikoyan concerning evaluations of their respective Tak-130 and MiG-AT trainers.

The Indian Air Force requirement is an urgent one. By the service's own reckoning it has lost more than 100 MiG-21 front-line fighters in crashes attributed to insufficiently trained pilots within the past 10 years.

Funding

Data not available.

Recent Contracts

Not applicable.

Timetable

<u>Month</u>	<u>Year</u>	<u>Major Development</u>
Early	1990s	Requirement identified
Late	1990s	BAE Hawk selected
Thru	2002	Negotiations with BAE continued
End	2002	BAE-New Delhi talks broken off
	2003	Anticipated re-opening of competition
Late	2003	Anticipated finalist selection
	2005	Initial deliveries expected
	2012	Anticipated completion of order

Worldwide Distribution

Not applicable.

Forecast Rationale

Realistically, India appears no closer to selecting a new jet trainer than it did a year, or even five years, ago. The New Delhi government and BAE Systems were reported as ready to ink a contract in the final months of 2002, but talks stalled when the parties failed to agree on a unit cost. The UK manufacturer reportedly quoted \$18 million while the government was demanding \$12 million to \$15 million.

Discussions apparently were broken off and India began talks with the Czech Republic's Aero Vodochody regarding the availability of the L-159. This design would appear to be in the unit cost category sought by India, but no word of an agreement had been forthcoming by year's end.

The anticipated Hawk deal was to have involved the Indian purchase of 66 Hawks off the BAE line, with additional aircraft, possibly as many as 140, to be produced under license in India by Hindustan

Aeronautics Ltd (HAL). Aero Vodochody is reported to have agreed to the transfer of manufacturing rights to HAL in the event New Delhi selected the L-159.

This requirement, and its ultimate fulfillment, appears to defy all logic and at this point we do not feel that the projection of a final design can be made with any degree of credibility. Accordingly, we are confining our forecast to that of a generically designated IAF trainer, which we anticipate entering service in early 2005.

Should future developments facilitate projecting a specific design, or once a formal contract has been signed, we will revise our forecast.

We are projecting deliveries of 146 IAF trainers to the Indian Air Force during the 2003 to 2012 time frame. At this time we are not forecasting any aircraft built under license by HAL.

Ten-Year Outlook

ESTIMATED CALENDAR YEAR PRODUCTION

Aircraft	(Engine)	High Confidence Level				Good Confidence Level				Speculative				Total 03-12
		thru 02	03	04	05	06	07	08	09	10	11	12		
NOT SELECTED														
IAF ADVANCED JET TRAINER	NOT SELECTED	0	0	2	8	16	24	24	24	24	18	6	146	
Total Production		0	0	2	8	16	24	24	24	24	18	6	146	