

Defense Security Cooperation Agency NEWS RELEASE

On the web: <u>http://www.dsca.mil</u>

Media/Public Contact: (703) 601-3670

Transmittal No. 06-64

The Netherlands – CH-47F CHINOOK Helicopters

Washington, September 27, 2006 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to the Netherlands of CH-47F Chinook cargo helicopters, helicopter upgrades, as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$652 million.

The Government of the Netherlands has requested a possible sale of up to 9 CH-47F Chinook cargo helicopters to include the Common Architecture Avionics System (CAAS) cockpit and up to 18 55-L-714A turbine engines (two per helicopter), upgrade of 11 CH-47D Chinook Cargo Helicopters to the newer CH-47F configuration to include the CAAS cockpit, mission equipment, communication and navigation equipment, ground support equipment, special tools and test equipment, management support, modification kits, support equipment, spare and repair parts, supply support, training, publications and technical data, U.S. Government Quality Assurance Team, United States Government and contractor technical assistance and other related elements of logistics support. The estimated cost is \$652 million.

This proposed sale contributes to the foreign policy and national security objectives of the U.S. by improving the military capabilities of the Netherlands and enhancing standardization and interoperability with U.S. forces. The Netherlands is a NATO ally and an active U.S. partner in the Global War on Terror (GWOT) that has supplied forces to conduct operations in both Operation Iraqi Freedom and Operation Enduring Freedom and is currently on the ground in Afghanistan as part of the NATO International Security Assistance Force (ISAF).

The Netherlands needs these helicopters to enhance its CH-47 fleet capabilities. Having the same aircraft configuration as the U.S. would greatly contribute to its military capability, making it a more capable and sustainable coalition force to support the GWOT. The Netherlands has the ability to use and maintain these aircraft as evidenced by their operating previous CH-47 configurations. The Netherlands will have no difficulty absorbing these aircraft into its armed forces.

The proposed sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be: The Boeing Company of Ridley Park, Pennsylvania and Honeywell, Incorporated of Phoenix, Arizona. The purchaser intends to negotiate an offset agreement, details of which are undetermined and will be defined in negotiations between the purchaser and contractor.

Implementation of this sale also will potentially require the assignment of two U.S. Contractor Field Service Representatives to the Netherlands for up to three years. A team of contractors will be required to provide technical assistance during the upgrade of the aircraft. Up to six U.S. Government representatives will travel to the Netherlands for eight trips to participate in program support and technical reviews. There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.