

POLICY JUSTIFICATION

The Netherlands - Modernized Target Acquisition and Designation Sight/Pilot Night Vision Sensor Modification Kits

The Government of the Netherlands has requested a possible sale of 30 Modernized Target Acquisition and Designation Sights (M-TADS)/Modernized Pilot Night Vision Sensors (M-PNVS) modification kits, 30 Integrated Helmet and Display Sight Systems, 1 M-TADS/PNVS modification kit for the Longbow Crew Trainer, spare and repair parts, support/test equipment, publications, technical documentation, maintenance and pilot training, contractor support, other related elements of logistical and program support. The estimated cost is \$298 million.

This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a NATO ally, which has been, and continues to be, an important force for political stability and economic progress in Europe.

In improving the capabilities of its AH-64D helicopters, the Netherlands seeks to maintain a standardized configuration similar to the U.S. fleet, particularly the performance and reliability improvements. This proposed sale corrects performance, maintainability, obsolescence, and support cost issues related to the existing fleet and improves flight safety. The M-TADS/M-PNVS would enhance The Netherlands' fleet, which provides a key NATO expeditionary force capability, and would significantly contribute to NATO rationalization, standardization, and interoperability. The Netherlands will have no difficulty absorbing this capability into its force structure.

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

The principle contractors will be: Lockheed Martin Corporation of Orlando, Florida and The Boeing Company of Mesa, Arizona. One or more proposed offset agreements may be related to this proposed sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to the Netherlands.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.