

## India's Fighter Jet Engine Deal Holds Firm Amid Tariff Threats



A significant defense collaboration between India and the United States remains on track despite recent geopolitical tensions and a renewed focus on trade protectionism. The partnership between Hindustan Aeronautics Limited (HAL) and GE Aerospace to co-produce F414 fighter jet engines for India's Tejas Mk2 aircraft is moving forward, with deliveries anticipated to begin by 2028. This deal, a cornerstone of India's "Make in India" initiative, shows resilience even as a potential tariff war looms.

The agreement, announced during Prime Minister Narendra Modi's visit to Washington, D.C. in 2023, is a crucial step for India's aerospace sector. It involves the co-production of 99 F414 engines, with an unprecedented 80 percent transfer of technology (ToT) to HAL. This level of technology sharing is a major breakthrough, as the United States has historically been reluctant to export its most sensitive defense technologies. According to reports, the deal's strategic importance and its foundation in the U.S.-India Defense Technology and Trade Initiative (DTTI) provide a buffer against broader trade disputes.

While U.S. President Donald Trump has issued threats of imposing tariffs on Indian goods, sources within HAL confirm that the F414 engine pact is not expected to be derailed. The deal, which has already received the necessary U.S. government approvals for technology transfer,

operates under a different strategic framework from commercial trade agreements. This distinction allows the defense partnership to continue its trajectory, underscoring the deep and long-term security interests shared by both nations.

HAL is in the process of establishing a new manufacturing facility near Bangalore for the project. Following the finalization of the commercial aspects of the deal, which are currently being negotiated, production is projected to begin within two years. The initial batch of engines will power the Tejas Mk2, a more potent variant of the Light Combat Aircraft (LCA), and may also be used in the future Advanced Medium Combat Aircraft (AMCA) and Twin-Engine Deck-Based Fighter (TEDBF) programs. The first engines are expected to be delivered by 2028, significantly boosting India's self-reliance in a critical defense sector and cementing a key pillar of its strategic partnership with the United States.