

Embraer CEO looks to make India global manufacturing base for KC-390 aircraft

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Brazilian aerospace giant Embraer on Sunday signalled its readiness to set up a major production hub for its KC-390 Millennium aircraft to support the broader Asia-Pacific market if it wins the Indian Air Force's contract for up to 80 transport planes.

awarded the Indian contract, the company will turn India into its primary production hub for aircraft to support the Asia-Pacific market.

The top executive, highlighting the acquisition of KC-390 by several high-profile NATO member nations, including Sweden, the Netherlands and Portugal, projected the plane as a strategic counter to the legacy dominance of Lockheed Martin's C-130J.

Neto said the KC-390 Millennium is a better fit for the future needs of modern air forces as it is a new generation multi-mission transport and aerial refuelling aircraft.

- At February 10 meeting, BEE proposed separate yearly CAFE-3 emission targets
- BEE revealed that targets would gradually drop from 92.5 g/km in FY28 to 77.08 g/km in FY32
- BEE said main compliance formula would be revised once more
- On February 19, SIAM told BEE it prefers single 89.6 g/km target for FY28-FY32 period
- Multiple CAFE-3 drafts since 2024 have widened industry divide

should be treated as a "packaged deal", comprising a single five-year target along with interlinked elements such as slope, super credits, biogenic factors, and off-cycle credits. "Addressing these parameters in isolation may not lead to a workable outcome," Siam said. Siam was referring to its November 8 letter, which argued for a single 89.6 g/km target for FY28–FY32. Neither Siam nor BEE responded to *Business Standard's* queries.

Since 2024, the CAFE 3 norms have triggered a prolonged tussle within the auto industry, alongside long-drawn-out negotiations with BEE. The BEE released the first draft in June 2024, with Siam submitting comments in December that year. Months later, Maruti Suzuki India independently sought a weight-based exemption for small cars, splitting industry opinion.

In September 2025, BEE revised the draft and introduced weight-based relief, proposing an additional 3g/km deduction for petrol cars weighing under 909 kg. Two months later, Siam said its members could not reach a consensus on the exemption.

BEE is now expected to drop this provision in the final notification. Instead, it plans to modify the core equation itself to deliver more lenient targets for vehicles below 1,229 kg and tougher ones above that threshold.