



# Europe defense revival: What's at stake for South Korea

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## Introduction

When the European Union (EU) leaders were conducting arm-wrestling negotiations in the last week of June over the EU's top jobs following the outcome of the European Parliament elections, a different piece of news coming from Brussels started churning Seoul and Tokyo's rumor mills. Citing an unnamed senior European Commission official, *Nikkei Asia* reported that the EU is attempting to establish security and defense industry partnerships with Japan and South Korea to jointly develop military equipment.<sup>1</sup> To date, no such security and defense-related collaboration has eventuated in the EU-ROK strategic partnership. But the capacity and capability of the South Korean defense industry has become an important strategic and economic consideration by many EU and NATO member states. Spurred by the dramatic increase in defense spending by many governments in Europe following Russia's invasion of Ukraine as well as rising geopolitical tensions in the Indo-Pacific and the Middle East, South Korea has surged as a viable alternative to more traditional suppliers for cost-effective military sales. European target countries of Seoul's defense exports already include Poland, Finland, Norway, Lithuania, Estonia, Romania, Slovakia, Czechia, and the UK.

The Yoon administration has been pursuing an ambitious target of climbing up the ranks of global defense exports from eighth place to fourth place through capturing 5% (or more) of the market by 2027.<sup>2</sup> Meanwhile, Europeans have stepped-up efforts at the supranational and intergovernmental level to lower manufacturing and technology dependencies by ramping up weapons production on the continent. The impetus towards a more strategically autonomous and technologically sovereign Europe comes primarily from reducing the reliance on U.S. leadership and hardware support for European security. Having said that, its implications may go beyond the transatlantic dimension of defense cooperation, holding significance for third countries and strategic partners including South Korea.

This *Issue Brief* examines how the ROK can enhance defense engagement patterns with a range of European actors in light of the sizeable arms export deals that the country has secured so far and will proceed as follows. First, it provides a contextualization of South Korea's approach to arms exports and the key assets that have underpinned its success in the global procurement market also in light of the lessons learned from the ongoing war in Ukraine. It then moves on to explore Seoul's defense engagements with three European countries in the form of Poland, Germany, and the United Kingdom (UK) who each represent particular dynamics reflective of the fragmentary and heterogeneous nature of the region's defense landscape. Finally, the brief identifies elements that the ROK should consider in order to consolidate its position. The first pertains to a more conducive financial framework for facilitating defense export deals. The second refers to the ongoing initiatives within the EU that are aimed at incentivizing its member states to develop the necessary industrial depth. This analysis represents an important and timely intervention that seeks to contribute to the debate on South Korea's defense and security choices amid the persisting gap between its quest to assume an integral role in the greater regional as well as global security architecture and an atmosphere of constraint especially in the ROK's domestic and immediate neighborhood.

## **Sources of strength and lessons learned**

As Russia's war on Ukraine drags on, the past three years have exposed the limitations of core assumptions about 21<sup>st</sup> century military power. Although the war is being fought across multiple domains, the decisive battle space is on the ground. Unmanned aerial vehicles have been deployed to unprecedented scale, yet, tanks, mechanized infantry, and artillery form the backbone for sustaining a conflict of such intensity.<sup>3</sup> Consumption rates and weapon attrition have pushed conventional guided weapons systems to the top of inventory targets across Europe. But no Western exporter has been able to fill emptied stockpiles with immediate mass-production capacity. South Korean companies have thus stepped in after having proved better equipped to meet some of the most pressing demands coming from frontline Ukraine allies seeking to restructure their obsolete Soviet-era inventories while concurrently providing military aid to Kyiv.<sup>4</sup> This has been a consequence of longer-term processes on both sides of the transaction. Prolonged disinvestment and subsequent lack of economies of scale have hampered the European military-industrial sector while in South Korea's case, the existence of an immediate and ongoing threat on its borders has meant that it has never been able to afford to slow down the production of ground systems.

The defining characteristics of the warfare unfolding on European soil thus put South Korean contractors into the spotlight. But the most important lesson that should be drawn from the conflict in Ukraine is the primacy of logistics over strategy and how this has played out into an advantage for Seoul.<sup>5</sup> The thinking and approach of South Korean policymakers and industry players to look beyond the production line of

armaments as the be all and end all has been particularly important in the ROK's increasing success in global defense procurement. As such, the South Korean domestic defense industry has maintained robust and secure ties with its suppliers such as semiconductors, spare parts, and engine manufacturers.

Such extensive industrial capacity has particularly favored swift product delivery as logistical competition unfolded. This achievement can be credited in large part to the Ministry of National Defense and the Defense Acquisition Program Administration (DAPA) having focussed on customizing and accommodating offerings to prospective buyers that address their specific defense and security needs.<sup>6</sup> This tailored approach can be seen most clearly in the recent arms deal with Poland that included not only speedier provision that assuaged Warsaw's concerns about delays in delivery schedules from other suppliers—most notably Germany—but also the pledge to invest in the Polish industry through technology transfers and local manufacturing of K2 tanks.<sup>7</sup> Such flexibility to maneuver has been made possible by a higher level of symbiosis between the Korean government, armed forces, and business who have integrated diplomatic, military, and industrial considerations in order to achieve broader objectives.<sup>8</sup>

The Yoon administration has doubled down on efforts to establish a more resilient and broad-ranging national defense industry as seen with the Industrial Supply Chain 3050 Strategy, which aims to lower South Korea's overall dependence on 185 critical items, including components used to manufacture weapons and weapons parts to 50% by 2030. In this context, a crucial point is to foster greater participation of small- and medium-sized enterprises (SMEs) into the defense industry market as their export share – around 7 to 10 percent of total exports – remains low compared to bigger firms. Initiatives like the Global Value Chain 30 Strategy, which is intended to promote the entry of SMEs from the defense industrial space into the global value chain is a positive step both in terms of sourcing materials and locating markets for their products.<sup>9</sup>

Current and potential European buyers have been incentivized towards 'K-defense' contractors not only because of their ability to deliver at speed but also because the hardware supplied offers an exceptional price-to-quality ratio. On the other side of the transaction, South Korean firms are attracted to the European market because of the growth opportunities afforded by elevated defense budgets and growing demand, particularly in a mid-range segment where they do not necessarily have to compete with the U.S. and other Western producers focussed on high-end weaponry. Nevertheless, that they have been able to climb up the ladder of the global arms procurement market more broadly, which is notoriously difficult to break into given high barriers to entry and high levels of protectionism surrounding domestic industries is a reflection of the ROK's *modus operandi*. In the case of the European defense market, this is particularly notable given the presence of a range of major arms manufacturing dynamos including France, Germany, Italy, and the UK. Having made an entry into the notoriously competitive European procurement market, the question

Seoul must grapple with is how to maintain its presence and ensure sustainable defense cooperation.

## **State of affairs of Europe-ROK defense engagement**

### *Buying on the frontlines*

In order to further contextualize the ROK's rise as an arms exporter to Europe, it is worth isolating different patterns of engagement as reflected in Seoul's bilateral relations with a range of European countries. Perhaps the most talked-about defense cooperation measure developed between South Korea and a European partner is the 2022 mega-deal worth \$12.4 billion struck with Poland and the more recent \$1.6 billion addendum in 2024. The contract signed between the two countries for K239 Chunmoo multi-barrelled missile launchers, K-2 tanks, K-9 self-propelled howitzers, and FA-50 light combat aircraft broke a multitude of records for both countries. Alongside representing the largest-ever South Korean arms export agreement and single-handedly eclipsing the total revenue of \$7.1 billion for the entire defense industry in 2021,<sup>10</sup> it was also a key component of the dramatic growth of Poland's military spending which rose by 75%—the highest increase of any of the EU member states—between 2022 and 2023 to \$31.6 billion.<sup>11</sup> However, the follow-up deal worth \$14.5 billion has faced major hurdles in terms of securing the required loans from the Export-Import Bank of Korea (EximBank) due to the deal exceeding its credit ceiling and the new administration of Donald Tusk who has pledged to honour agreements signed by their predecessors but is reluctant to accede to new procurement contracts.<sup>12</sup> Poland has notably raised its defense budget but that has proved to be not enough. Facing funding shortfalls, Seoul had to take immediate action. Days before the last legislative elections, the National Assembly passed amendments to the Export-Import Bank of Korea Act to increase the EximBank's capital reserves limit from \$11.3 billion to \$18.8 billion, securing the viability of the second contract. The negotiations with Warsaw opened up a pathway for South Korean defense exports into neighboring countries most notably Estonia, Lithuania, and Romania.<sup>13</sup> Feeling similarly exposed to the threat of Russia's aggression, in the past three years, these Central and Eastern European countries have fast tracked their military modernization after consistently highlighting the Russian threat to their security due to their territorial proximity to Russia and their history of having been part of the Soviet sphere of influence.

### *Competitive partnering*

In contrast with their positive reception within the Central and Eastern European markets, seeking to push K-defense items in Northern and Western Europe comes with much more intense scrutiny that has translated into a complex positionality in relation to its partners. Defense manufacturing powerhouses like France and Germany

have voiced concerns about South Korean tanks—which compete with their own offerings of heavy armor—entering European markets<sup>14</sup> while emphasizing the necessity for European solidarity. The case of the latter can be seen in Paris and Berlin recently managing to reboot the Main Ground Combat System (MGCS) project intended to replace their current-generation main battle tanks, which has been languishing for years.<sup>15</sup> On the other hand, in the last few years, the South Korean government has managed to upgrade bilateral relations to a strategic partnership level with Italy (2018), the Netherlands (2022), the UK (2023), and Germany (2023). With regard to the latter, during Yoon’s visit to Berlin in 2023, the two sides signed an agreement to enable better defense cooperation through the sharing and protection of confidential military data as well as the optimization of their defense industrial supply chains to minimize possible disruptions.<sup>16</sup> This was followed up in August with Germany seeking to help speed up the transfer of defense material between the two partners from September by streamlining the current elaborate defense export procedures which requires 6 to 12 months of approvals processes carried out by the Federal Office for Economic Affairs and Export Control (BAFA).<sup>17</sup> Under this new arrangement, Korean companies would be able to procure non-sensitive defense and dual-use materials from their German counterparts directly and without going through BAFA approval, creating new synergies that would improve distribution channels both between the two and on the global defense procurement market more broadly.<sup>18</sup>

### *Spearheading joint defense production*

As well as Berlin, the bilateral relation with the UK has recently produced interesting developments on the defense side with the signing of the Downing Street Accord and a joint Defence Memorandum of Understanding in 2023, emphasizing defense cooperation as a matter of priority for both governments.<sup>19</sup> This was further explicated in a joint Ministerial Statement of Intent to establish a new Defence Partnership for Industrial and Capability Cooperation on the importance of facilitating the development of joint defense industrial projects between public and private sector stakeholders from the two countries. As outlined in the statement, both governments have envisioned policymakers creating a pathway for ‘enabling greater integration between our export and capability requirements, including industrial collaboration and supply chain integration’ to joint defense exports.<sup>20</sup> The UK is the first other G20 country that South Korea has collaborated with on this level, creating a precedent and potential launching point for others.

## **The push for ‘Made in the EU’ defense**

From the EU’s perspective, cementing defense industrial partnerships with countries in the Indo-Pacific, particularly like-minded partners like South Korea, is not trivial in the context of discussions about the next Cabinet of Commissioners, which will be

voted in Autumn. Ursula von der Leyen has secured a second mandate as President of the European Commission and from the onset of her first term has attached high priority to reshaping Europe's defense footing. Efforts to integrate the European defense industrial sector go back to the 1990s but it is only as a result of more recent crises—from Russia's annexation of Crimea in 2014 to the subsequent large-scale invasion of Ukraine eight years later, from Brexit to the rise of U.S. protectionism under Trump—that the Commission has shifted towards institutionalization rather than outlining norms.<sup>21</sup> Following years of under-investment, the outgoing "geopolitical Commission" sought to reverse the post-Cold War "peace dividend" and expand its competencies into defense policy.<sup>22</sup> Contemporary shortfalls are clear when comparing the 2022 average on military spending by European countries amounting to 1.6% of total GDP while over the course of the Cold War, the average was almost double at 3.5% of total GDP.<sup>23</sup>

Russia's aggression against Ukraine has acted as a catalyst for Brussels to adopt a more interventionist approach since it seeks to coordinate the modernization and replenishment of military stocks as member states send equipment and ammunition to Kyiv at a faster rate than it can be replaced through domestic production. This process has culminated with the first-ever European Defence Industrial Strategy (EDIS)<sup>24</sup> at EU level that was launched on 5 March 2024 together with its financial leg. the European Defense Industrial Program (EDIP).<sup>25</sup> While defining the EU's defense procurement objectives in the medium and long term, the timing of the EDIS' and EDIP's release is noteworthy given that the U.S.<sup>26</sup> and Australia<sup>27</sup> unveiled similar first-ever documents in prior weeks to orient industrial action and resource prioritization to ensure more resilient domestic defense industrial ecosystems. What is more, at the 2023 Vilnius Summit, NATO allies endorsed a Defense Production Action Plan to "aggregate demand, address defense industrial challenges and increase interoperability".<sup>28</sup> More recently, on July 3, the United States Department of Defense (DoD) published the much-awaited Interim Implementation Report tracking progress toward implementing the actions laid out in its National Defense Industrial Strategy (NDIS).<sup>29</sup> Overall, these documents can be said to codify a series of specific actions and projects to foster a robust and flexible defense industry and deliver a sustainable supply chain to enhance deterrence and defense in Europe and the Indo-Pacific.

The EDIS is bold in outlining an end-to-end approach that covers planning, research, development, production, procurement, maintenance, and deliveries. If successful, it would expedite the emergence of a strong European Defence Technological and Industrial Base (EDTIB). The intertwined aims of the strategy and the accompanying EDIP can be summed up by the Commission's exhortation to invest '*more, better, together, European*', with the latter point raising questions about how this would impact the growth of South Korea's defense exports to the European market given the emphasis on procurement within the bloc.<sup>30</sup> In seeking to encourage greater defense cooperation, Brussels aims to boost its flexibility and that of its member states to react



decisively against security challenges. The ongoing war on European soil has prompted a hard look at the bloc's overreliance on the U.S. as the primary supplier of arms and ammunition. In 2022 and 2023 alone, more than 75% of defense goods procured within the EU came from external sources, with the U.S. accounting for 63% of the arms trade.<sup>31</sup> Translated into real terms, this means that more than €70 billion out of a total of €100 billion has been spent on arms flowing from outside the regional bloc. In an effort to reverse this trend, the EDIS lays out three targets for member states to aim for by 2030: purchasing a minimum of 40% of defense equipment collaboratively, spending half or more of procurement budgets on European-made goods, and the trade of material within the EU to make up 35% of the defense market's total value.<sup>32</sup> Therefore, collaboration is expected to take place between member states and their defense companies by stimulating joint funding and acquisition of arms and equipment at economies of scale in order to reduce duplication and other inefficiencies present within the current system.

Defense analysts have praised the ambitious nature of these targets and the development of a concrete defense industrial strategy as a whole but have highlighted a range of issues. Reflecting the intergovernmental nature of the EU and long-standing challenges of developing common policies, the EDIS and EDIP are of a non-binding nature and rely on member states choosing (or not) to implement. Defense industrial policy has primarily been the jurisdiction of national governments rather than European institutions and as such, has led to a distinctly segmented market as each of the EU-27 largely maintains independent domestic defense industries with only limited cooperation on a case-by-case basis. Brussels' limited influence on these matters can be seen in the preference for member states to utilise Article 346 of the Maastricht Treaty to exempt defense goods from EU public procurement requirements.<sup>33</sup> Furthermore, the provision of only €1.5 billion in funding to the EDIP in an effort to operationalize the strategy is insufficient given the combined defense industries within the EU accounted for €70 billion in sales in 2021, a figure which has risen significantly given developments in the last three years. Implementation of the EDIS and EDIP remains piecemeal, reflecting wide divergences on how to take EU defense efforts forward and how to fund them. While both documents mention strategic partners and like-minded third countries as featuring within Brussels' strategic calculus, that specific close allies South Korea as well as Japan and the United Kingdom presents a degree of ambiguity which policymakers in Seoul ought to monitor and keep in mind as they develop closer bilateral ties with the EU and individual member states.<sup>34</sup> The passing mentions of mutually-beneficial partnerships is open to interpretation in terms of what this would entail, which currently leaves the ROK in an unclear position as how it would fit within efforts to reduce external dependencies.

## **Policy recommendations**

This Issue Brief has shown that the South Korean efforts to expand defense procurement patterns with European counterparts have been taking place against the backdrop of initiatives at the EU and national levels to boost the member states own sovereign military capabilities. Arguably, this is a long and pricey road and no guarantees are given that such projects will become the go-to capabilities for Europeans. In the meantime, as the ROK government designs on taking the country's defense industrial potential to its fullest extent, past negotiations with European buyers can already provide valuable opportunities for handling potential setbacks within this rapidly evolving market.

The mega-deal with Poland has raised a major issue in terms of putting in place the necessary financial regulatory system in support of arms sales. While raising EximBank's debt ceiling resolved an immediate problem, the ROK government should revise its defense financing system in light of the high financial risks associated with defense exporting. This might be paired with the creation of a defense export financing institution that could operate similarly to the export credit agencies of other defense exporting countries including the U.S (U.S. Foreign Military Financing Program), France (Bpifrance), and Sweden (Swedish Export Credit Corporation and Swedish Export Credit Agency) that provide grants and loans for importing countries in the case of military and other strategic products. From the perspective of buyer countries, export financing can increase confidence in the reliability of the commitment of the exporting country. In turn, the supply of financing can shield supplier states from some of the uncertainties linked to buyer countries with limited or unreliable defense budget allocations or which are facing significant political and economic instability that cloud the viability of procurement deals.

From a broader perspective, the South Korean industrial defense governance should implement a multi-layered approach that considers not only political and economic specificities of the buyer country's domestic context but intra-regional dynamics within the European market as well. The war in Ukraine has reinforced the reality that there are many Europes when it comes to the issue of security and defense given varying threat perceptions, understandings of strategic autonomy, and defense procurement priorities not only in terms of specific materiel required but also what objectives they are meant to secure. This can be seen clearly in two instances where Korean companies went up against their German counterparts in Poland and Norway. Warsaw's decision to favour Seoul over Berlin has been partially a consequence of the latter being at a distance from historical animosities, a potent recurrent factor in bilateral relations across Europe. Conversely, the preference for German tanks over Korean ones did not reflect divergence in quality but rather Oslo's desire to prioritise a fellow NATO ally in closer proximity, a consideration that might factor more in the EU member states calculus if the EDIS takes hold. For the Korean defense sector to



further climb up the ranks, the tailored approach to arms sales taken by DAPA must go hand-in-hand with a deeper and more nuanced understanding of not just the individual European countries they are exporting to but broader dynamics as well. While national governments continue have retained the lion's share of decision-making related to defense procurement so far, there is also a need to factor in the supranational elements of the EU and intra-regional undercurrents together with the trans-Atlantic intergovernmental considerations of NATO. This means that selling arms to one country can have direct and indirect flow-on effects to others due to longer-term and more recent historical barrage.

## **Conclusion**

Burgeoning ROK-Europe defense cooperation has developed additional significance in recent months as new questions have arisen over Seoul's potential military contribution to Kyiv in light of closer relations between Moscow and Pyongyang. There is thus now greater impetus than ever before to understand security and defense dynamics between the two ends of the Eurasian continent. Defense industrial cooperation is at the core of debates about how to bridge U.S.-led alliances in the Euro-Atlantic and Indo-Pacific as Washington's long-term priorities lie in the latter's region. The aftermath of Russia's invasion of Ukraine has sparked an expansion and deepening of South Korea's bilateral ties with individual European countries, leading to different forms of defense cooperation. The case of Poland highlights the opportunities and challenges of exporting arms to Central and Eastern European states seeking to build up their arsenals to counteract the looming threat of Russia on their borders. Germany meanwhile serves as a demonstration of the complexities posed by entering a market where like-minded partners can oftentimes be viewed as competitors due to the presence of a significant domestic defense industry. In the case of the United Kingdom, which has left the EU but continues to be a major security player in the Euro-Atlantic and Indo-Pacific theatres, striking deals on joint defense industrial cooperation with a fellow G20 member state show a potential path forward but not without its own complications.

At the EU level, while Ursula von der Leyen's vision of a "European Defence Union" will have to contend with a dearth of funding and the prominence of radical right leaders within member states and EU institutions<sup>35</sup>, continuing on the path of strengthening defense cooperation could result in the EU deepening its involvement in defense industrial matters beyond its already advanced research role. This should be of particular concern for the ROK defense ecosystem governance because the question of collaboration with third parties like Seoul remains unsettled. Ultimately, the role of external partners like South Korea and how they fit within the implementation of EDIS will depend on how the balance between the EU and the member states on defense and security issues plays out.

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<sup>1</sup> Tsuji Takashi, “EU eyes security, defense partnerships with Japan and South Korea,” *Nikkei Asia* (June 23, 2024), <https://asia.nikkei.com/Politics/International-relations/EU-eyes-security-defense-partnerships-with-Japan-and-South-Korea>.

<sup>2</sup> Chae Yun-hwan, “Large-Scale Ground-Based Arms Exhibition to Open in September,” *Yonhap News Agency* (January 26, 2024), <https://en.yna.co.kr/view/AEN20240126005700315>.

<sup>3</sup> Frederik Mertens *et al.*, “Lessons from land warfare: One year of war in Ukraine,” *The Hague Centre for Strategic Studies (HCSS)* (February 2023), <https://hcss.nl/wp-content/uploads/2023/02/Lessons-Learned-Paper-English-Version-Final.pdf>.

<sup>4</sup> Anthony V. Rinna, “The Russia Factor in South Korea’s Arm Sales to Poland,” *The Diplomat* (May 31, 2024), <https://thediplomat.com/2024/06/the-russia-factor-in-south-koreas-arm-sales-to-poland/>.

<sup>5</sup> On the significance of the Russo-Ukrainian conflict in terms of contested logistics, see Ronald Ti and Christopher Kinsey, “Lessons from the Russo-Ukrainian Conflict: The Primacy of Logistics over Strategy,” *Defence Studies* 23, no. 3 (July 2023), pp. 381–98.

<sup>6</sup> Francesca Frassinetti, “South Korea’s Greater Engagement with NATO and Europe: Becoming a Reliable Security Partner Through a Thriving Defense Industry”, in *The Future of the Korean Peninsula and Beyond: Next Generation Policy Perspectives*, National Committee on American Foreign Policy (December 2022), p. 78, <https://ncafp.org/next-gen-policy-perspectives-the-future-of-the-korean-peninsula-and-beyond/>.

<sup>7</sup> Ministry of National Defence of the Republic of Poland, “K2 tanks will be produced in Poland,” (June 20, 2024), <https://www.gov.pl/web/national-defence/k2-tanks-will-be-produced-in-poland>

<sup>8</sup> In some cases, this has involved ROK forces agreeing to delayed deliveries of materiel from domestic manufacturers in the service of ensuring that exports are fulfilled in a more timely manner. In others, defense exports have acted as a launchpad for developing further cooperation in other strategic industries as can be seen in technical cooperation on nuclear power plants between Seoul and Warsaw following in the wake of the 2022 arms deal. See: Gordon Arthur, “How South Korea’s Defense Industry Transformed Itself into a Global Player,” *Breaking Defense* (November 6, 2023), <https://breakingdefense.com/2023/11/how-south-koreas-defense-industry-transformed-itself-into-a-global-player/>.

<sup>9</sup> DAPA, “Gathering of SMEs Driving Innovation in the K-Defense Sector [in Korean],” (July 2, 2024), <https://www.korea.kr/briefing/pressReleaseView.do?newsId=156639071>

<sup>10</sup> Troy Hong, “2022 in Review: South Korean Arms Exports,” *Korea Economic Institute of America* (December 22, 2022), <https://keia.org/the-peninsula/2022-in-review-south-korean-arms-exports/>.

<sup>11</sup> “Global Military Spending Surges amid War, Rising Tensions and Insecurity,” *Stockholm International Peace Research Institute* (April 22, 2024), <https://www.sipri.org/media/press-release/2024/global-military-spending-surges-amid-war-rising-tensions-and-insecurity>.

<sup>12</sup> Lee Hyo-jin, “Korea-Poland Mega Arms Deal Jeopardized by Financial Hurdles,” *The Korea Times* (April 22, 2024), [https://www.koreatimes.co.kr/www/nation/2024/07/205\\_373220.html](https://www.koreatimes.co.kr/www/nation/2024/07/205_373220.html).

<sup>13</sup> Joyce Lee and Josh Smith, “Insight: Inside South Korea’s Race to Become One of the World’s Biggest Arms Dealers,” *Reuters* (May 29, 2023), <https://www.reuters.com/business/aerospace-defense/inside-south-koreas-race-become-one-worlds-biggest-arms-dealers-2023-05-29/>; Jung Min-ho, “Number of Korean Arms Importers Triples in 2023,” *Korea Times* (December 20, 2023), [https://www.koreatimes.co.kr/www/nation/2024/07/205\\_365494.html](https://www.koreatimes.co.kr/www/nation/2024/07/205_365494.html).

<sup>14</sup> Direct competition with ROK firms both within and outside the European defense market was on display for instance when Kraus-Maffei Wegmann’s Leopard 2A7 beat out Hyundai Rotem’s K2 Black Panther for a \$1.9 billion contract to become the Norwegian army’s next-generation main battle tank in 2022 while the following year, Hanwha’s Redback outpaced Rheinmetall’s Lynx to secure a \$4.5 billion procurement to supply infantry fighting vehicles to the Australian Defence Force.

<sup>15</sup> “France, Germany sign deal on 'tank of the future',” *France24* (April 26, 2024), <https://www.france24.com/en/live-news/20240426-france-germany-sign-deal-on-tank-of-the-future>.

<sup>16</sup> “Germany, South Korea to sign military secrets pact,” *Deutsche Welle* (May 21, 2023), <https://www.dw.com/en/germany-south-korea-to-sign-military-secrets-pact/a-65690224>.

<sup>17</sup> “Germany to simplify procedures for exports of defense goods to S. Korea: DAPA,” *The Korea Times* (August 2, 2023), [https://www.koreatimes.co.kr/www/nation/2024/06/113\\_356215.html](https://www.koreatimes.co.kr/www/nation/2024/06/113_356215.html).

<sup>18</sup> Alongside procurement links, South Korea’s participation together with Germany and a range of other European partners including Belgium, Denmark, France, Italy, and the Netherlands to the Rim of the Pacific (RIMPAC) Exercise 2024 has represented another critical aspect of defense engagement through enhancing interoperability among their navies and gaining practical experience for carrying out joint operations.

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- <sup>20</sup> UK Government, “UK and Republic of Korea to Enforce Sanctions against North Korea through Joint Sea Patrols,” (November 21, 2023), <https://www.gov.uk/government/news/uk-and-republic-of-korea-to-enforce-sanctions-against-north-korea-through-joint-sea-patrols>.
- <sup>21</sup> Samuel B H Faure and Dimitri Zurstrassen, “The EU Defence Industrial Strategy: The ‘Colbertist Revolution’ Will Have to Wait,” *Luiss Guido Carli University Institute for European Analysis and Policy* (March 2024), pp. 3-4, <https://leap.luiss.it/publication-research/publications/s-b-h-faure-d-zurstrassen-the-eu-defence-industrial-strategy-the-colbertist-revolution-will-have-to-wait%ef%bf%bc/>.
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- <sup>25</sup> European Commission, “Regulation of the European Parliament and of the Council Establishing the European Defence Industry Programme and a Framework of Measures to Ensure the Timely Availability and Supply of Defence Products (“EDIP”),” (March 5, 2024), [https://defence-industry-space.ec.europa.eu/edip-proposal-regulation\\_en](https://defence-industry-space.ec.europa.eu/edip-proposal-regulation_en).
- <sup>26</sup> United States Department of Defense, “The National Defense Industrial Strategy,” (January 12,) 2024, <https://www.businessdefense.gov/docs/ndis/2023-NDIS.pdf>.
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