
Seoul's Defense Exports Exceed \$1 Billion

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South Korea sold more than \$1 billion worth of weapons and defense goods overseas in 2008, the largest amount since it began exporting defense articles in 1975, according to the Defense Acquisition Program Administration (DAPA) [in Seoul, Korea].

The \$1.03 billion in exports, a 22 percent increase from the previous year's \$844 million, is the second consecutive sharp rise following DAPA's creation.

This is very meaningful given the increase in defense exports comes amid a worldwide economic downturn, a DAPA spokesman said December 31. Through active efforts to promote the nation's defense exports since our agency's inauguration in 2006, we were able to increase the amount of the country's defense exports to some \$844 million in 2007, up from an annual average of \$250 million in previous years, and finally achieve the goal of \$1 billion.

South Korea expanded its arms trading partners last year by 12 to 58 nations, including African and South American countries such as Egypt and Peru, the spokesman said. The sale of world-class advanced weapon systems, such as self-propelled howitzers, aircraft, and ships, is a dramatic departure from the rifle ammunition and spare parts that were more common in the past, he said.

Last year's exports were boosted by a contract with Turkey over the transfer of tank development technology, he added. Under the deal, valued at \$400 million, South Korea is to help Turkey develop a main battle tank by 2015 through the transfer of technology related to the design and development of K1A1 and K2 tanks.

South Korea will transfer key technologies regarding engine, guns, and snorkeling systems to Turkey, which initially wants to build about 250 advanced main battle tanks, DAPA officials said. Seoul will provide more than 60 percent of the technology required.

The K2 Black Panther tank, built by the state-funded Agency for Defense Development and Hyundai Rotem, is armed with an indigenous 120mm/50-caliber smoothbore gun. It can reach speeds of up to 70 kilometers per hour on paved roads with gun stabilization and can cross [a] river as deep as 4.1 meters using a snorkel.

Other major contracts in 2008 include Korea Aerospace Industries' \$170 million contract with the U.S. Air Force for A-10 wing structure and ones for exporting spare parts of the K-9 self-propelled howitzer to the United States, Turkey, and others, they said.

South Korea aims to reach \$3 billion in exports by 2012 amid high expectations of the KT tank and the T-50 Golden Eagle supersonic trainer.

The country is making all-out efforts to sell the T-50 trainer overseas. Potential consumers include the United Arab Emirates, Singapore, the United States, and Greece, officials said.

In a 2009 policy briefing to President Lee Myung-bak December 31, the Ministry of National Defense pledged full-fledged efforts to support defense exports to help revive the economy, setting a goal of \$1.2 billion this year.

The Ministry will launch a pan-governmental council to support defense exports, it said in a news release. To improve cooperation with private firms and institutes, the Ministry will raise the ratio of private firm participation in defense research and development programs by 10 percent to 60 percent, it said.