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Are Long-Term NATO–South Korea Defense Ties Possible? Transitioning From an Arms Exporter to a Trusted Defense Partner

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Asia Program

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About the Author

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Asia Program

The Asia Program in Washington studies disruptive security, governance, and technological risks that threaten peace, growth, and opportunity in the Asia-Pacific region, including a focus on China, Japan, and the Korean peninsula.

Introduction: How to Become an Embedded NATO Partner

This study focuses on how the Republic of Korea (ROK), North Atlantic Treaty Organization (NATO), and Europe are forging closer defense and security ties and whether such a partnership can be sustained into the future. South Korea has demonstrated that it is capable of exporting and investing in European and NATO security; according to the Stockholm International Peace Research Institute (SIPRI), South Korea supplied 6.5 percent of arms imports to European NATO states (NATO-Europe) in 2024, a similar level to France.[1] Conversely, Europe accounted for about 10 percent of South Korea's arms imports in the period 2020–2024 while the United States dominated with 86 percent of all arms sales to South Korea.[2] Based on SIPRI data, South Korea ranked tenth in global arms sales at the end of 2024.[3]

The main challenge for South Korea rests on rethinking its longer-term approach to strengthening defense ties with NATO along three main pathways:

1. Ensuring greater interoperability with NATO weapons systems by deepening its alignment with the NATO Standardization Agreement through various measures such as the Mutual Recognition for Military Airworthiness (July 2024) agreement and becoming a member of NATO's Science & Technology Organization (March 2025) and vice versa, so that European systems can be readily adapted into Korean weapons platforms;

2. Encouraging Korean defense firms to operate in Europe with European governments, militaries, and corporate partners to localize production in Europe, similar to the strong foothold Korean defense firms have established in Poland since 2022; and

3. Integrating, to the extent possible, with NATO's intelligence architecture, including enhanced cybersecurity and cyber defenses; greater intelligence sharing over emerging battle management environments (particularly after the Russia-Ukraine war comes to an end in the foreseeable future); and greater institutionalization of intelligence exchanges, including South Korean assessments of North Korea and China and NATO analyses of threats from Russia.

South Korea aspires to become one of the top defense exporters by 2030. Based on its world-leading manufacturing capabilities in automobiles, shipbuilding, steel production, semiconductors, consumer electronics, and nuclear power plants, among other sectors, its ambitions are well within reach. South Korea supplies arms to three main regions—Europe, the Middle East (mainly Gulf states), and the Asia-Pacific. Key European and American defense companies have been leading providers of defense goods and services in the same regions since the end of World War II. Compared to their rivals, ROK defense firms offer definite advantages such as price competitiveness, rapid delivery schedules, and thorough maintenance, repairs, and overhauls (MROs) systems.

> **South Korea aspires to become one of the top defense exporters by 2030. Based on its world-leading manufacturing capabilities, its ambitions are well within reach.**

Korean firms have leveraged their well-established economic ties in Asia with members of the Association of Southeast Asian Nations (ASEAN). Those countries have sought partnerships with Korean defense firms due to the cost-effectiveness of Korean defense systems and the ability to quickly scale up Southeast Asia's respective military capabilities. Key regional nations—particularly the Philippines, Thailand, and Malaysia—are coming to rely on Korean weapons systems to help counter Chinese power projection in the East China and South China Seas and to help establish more advanced territorial defense capabilities, analogous to European countries facing diverse military threats from Russia.

All the ingredients for a much deeper and more sustainable defense partnership between Europe and South Korea exist and will continue to grow. These include, but are not limited to, South Korea's well-established defense industrial manufacturing capabilities, political alignment with the EU and NATO as a key Asian democracy, globally competitive technology firms, and a military with one of the closest ties with the U.S. Armed Forces through the U.S.-ROK Combined Forces Command, which provides the ROK military with high degrees of interoperability and common command, control, communications, computers and intelligence, surveillance, and reconnaissance (C4ISR) platforms.

But one of the most important conditions for the long-term defense partnership will rest on whether South Korea can demonstrate greater political alignment and solidarity with Europe and NATO. As many high-level NATO officials have asserted, including Secretary General Mark Rutte, Europe must be ready for a possible conflict with Russia after the war in Ukraine comes to an end. Should such a conflict occur, or a severe crisis is instigated by Russia, the EU and NATO members would expect strong political support from South Korea as a member of the IP4 (NATO's Indo-Pacific partners, which also include Japan, Australia, and New Zealand). Moreover, given rising tensions between U.S. President Donald Trump's administration and Europe across multiple issues, strengthening economic, technological, and security ties between South Korea and Europe can provide multiple dividends. If South Korea deepens localization efforts including production facilities and greater research and development (R&D) collaboration with European defense firms, then the ROK could emerge as an important non-NATO defense and security partner. Weapons systems and platforms driven by artificial intelligence (AI), next-generation air defense systems, ice breaking vessels, and intelligence, surveillance, and reconnaissance (ISR) capabilities are areas where European-Korean defense collaboration can result in mutual benefits.

Given the need to focus primarily on its own geographic regions and defense resource limitations, NATO is not going to be an indispensable security provider in Asia, and neither will South Korea vis-à-vis Europe. But both have highly complementary defense technologies and provide mutually beneficial strategic dividends that must be strengthened due to shared uncertainties about long-term American security guarantees and the need to jointly build new weapons systems. As illustrated by significant battlefield force multipliers such as Ukraine's rapid innovations in air and submersible drones, Korean-European defense partnerships should maximize the window of opportunity in the joint development of autonomous weapons systems that could provide tipping point advantages in future conflicts or crises for both sides. For South Korea, it could entail incorporating major lessons from drone warfare in the Russia-Ukraine war including joint R&D with European defense firms, and Europe could take advantage of South Korea's major investments in autonomous weapons through joint development and enhanced interoperability.[4]

As AI and autonomous technology continue to be further integrated into battle plans and significantly alter the future of warfare, NATO-Europe and the ROK have much to gain from amplifying their respective defense technologies' niche cooperation, including joint R&D and enhancing dual-use technologies, building more resilient military supply chains, and greater intelligence sharing and cooperation. This is especially important since both Europe and South Korea can mutually provide key defense products and technologies that could be influential in future crises or conflicts in their respective defense and security domains.

> **A deepened partnership between NATO-Europe and the ROK will enable Europe and South Korea to ramp up their defense capabilities.**

A deepened partnership between NATO-Europe and the ROK will enable Europe and South Korea to ramp up their defense capabilities including next-generation radars, hypersonic missiles, and underwater drone submersibles. Specifically, South Korea and NATO can cooperate on the use of AI on uncrewed systems, which is emerging as one of the most important defense technology areas. A NATO Parliamentary Assembly group that visited Korea in December 2025 noted that "at Hyundai Rotem, the defence arm of Hyundai Group, discussions centred around uncrewed vehicles and Artificial Intelligence, which have both featured frequently in reports of the Science and Technology Committee."[5] For South Korea, another added advantage of building arms factories and facilities in Europe (and Australia) is that it contributes to defense supply chain risk mitigation in case of a major conflict or crisis on the Korean Peninsula that could disrupt the flow of arms to the ROK military forces.[6]

To explore these and related issues, this study focuses on three main points. First is briefly assessing President Lee Jae Myung administration's ambitious defense exporting goals, such as becoming the world's fourth-largest defense exporter by 2030 and tracing the rise of

South Korea's defense industry from the 1970s. At the October 2025 Seoul ADEX defense exhibition, Lee stressed that South Korea would "invest a massive budget that exceeds expectations in defense and aerospace R&D by 2030" and that "our government will leap South Korea to become one of the global top four defense industry and aerospace powers,"[7] while also emphasizing the need for greater self-sufficiency in defense technologies.[8] How Lee plans to sustain more pragmatic foreign policies while strongly supporting Korea's major defense firms (including the building of longer-term defense ties with Europe) are important litmus tests for his administration's overall national security posture.

Second, the paper examines the key challenges for South Korea as it seeks to grow its defense footprint in Europe, including greater competition from European defense firms, South Korean companies' ability to localize production and set up key R&D centers, and the feasibility of building specific defense cooperation functions between NATO and South Korea. Although South Korea could not reach an agreement under the Security Action for Europe (SAFE) program due to the prolonged domestic political turmoil during the first half of 2025, Seoul continues to explore avenues for greater defense cooperation. It remains unclear at the time of writing if South Korean companies will be able to participate in joint R&D or weapons exports (including components) under SAFE Category 2 such as air and missile defense, maritime surface and uncrewed vessels, drones and anti-drone systems, and AI and electronic warfare platforms. But the ROK is a leader in all these areas that could provide opportunities for deeper collaboration as the defense partnership matures.

Third, the paper maps out how South Korea and Europe can enhance defense relations over the next ten to twenty years so that South Korea is not perceived as just an arms provider to Europe but rather, as an embedded partner that is also a global technology leader, a resilient democracy, and a significant non-NATO military power. South Korea signed an Individually Tailored Partnership Programme agreement in July 2023 with NATO and entered NATO's Science and Technology Organization as a partner in March 2025, and is a participant in NATO's Cooperative Cyber Defense Centre of Excellence. These are significant developments, but South Korea is still far from being considered a fully trusted and deeply rooted European defense partner. Making this happen lies at the center of evolving NATO-Korea defense ties.

South Korea's overwhelming defense mission is to deter another major conflict on the Korean Peninsula, but also increasingly, to provide assistance to the United States in maintaining a dominant U.S. military posture in the Western Pacific. Whether such a shift is going to result in more tangible defense policies and strategies remains to be seen, especially in South Korea's very fractured political system between progressive and conservative forces. But in October 2025 during a summit with Trump in Gyeongju, South Korea, Lee explained why South Korea needed nuclear-powered submarines (SSNs). Lee stated, in part, that

> "we don't mean to build nuclear-armed submarines, but because diesel submarines are less capable of submerged navigation, *there are restrictions*

> *on tracking North Korean or Chinese submarines. . . .* So if you allow us to supply fuel . . . *if we build several submarines equipped with conventional weapons . . . the U.S. military's burden could be significantly reduced.*"[9] (emphasis added)

Trump agreed to allow South Korea to build SSNs and U.S. Navy Chief of Operations Daryl Caudle stated subsequently in November 2025 that if the ROK goes on to build SSNs, "it is a natural prediction that those submarines will be utilized to contain China" and that since the United States sees China as a pacing threat, Washington "will expect to collaborate with its ally to achieve common objectives against the key competitive threat."[10] But building South Korean SSNs is going to require much more intensive political, defense, and technological consensus-building between Seoul and Washington.

The Making of South Korea's Defense Industry

The development of South Korea's defense industry involved a confluence of government policies to reduce the ROK's dependence on the United States for a wide range of weapons systems, to develop more lethal weapons to counter North Korean military capabilities such as long-range artilleries and ballistic missiles, and a sharp increase in South Korea's advanced manufacturing capabilities based on major investments in heavy and chemical industries in the 1970s. The latter enabled major conglomerates such as the Hanwha Group, Hyundai Heavy Industry (renamed HD Hyundai), Daewoo Shipbuilding Industries (bought subsequently by Hanwha Ocean), and Hyundai Rotem to open new defense businesses just as South Korea began to stress defense import substitution.

Additional developments led to a takeoff in South Korea's conventional arms industry in the 1980s. In an era when the ROK did not have a domestic arms industry or even rudimentary defense research capabilities, then president Park Chung Hee created the Agency for Defense Development (ADD) in 1970, a Korean version of the U.S. Defense Advanced Research Projects Agency. Key dividends began to emerge in the early 1980s, such as R&D subagencies that flowed from the ADD and government-funded R&D projects that were outsourced to defense companies that, in turn, fostered defense technology innovations.

Finally, one of the most important driving forces that led to more robust defense industries was Seoul's desire to lessen its dependence on the United States for high-tech weapons systems even as it sought to strengthen its military alliance with the United States. In part, this was driven by uncertainties during the Richard Nixon and Jimmy Carter administrations that the United States might reverse the stationing of the United States Forces Korea. Nixon withdrew the U.S. 7th Infantry Division in 1971, and Carter campaigned in 1976 to gradually withdraw U.S. ground troops from South Korea but opted against it in 1979 when new intelligence assessments showed much higher levels of North Korean forces. These concerns contributed to the rapid growth in South Korea's domestic arms industry. Yet if it wanted to become a serious defense arms producer, it would have to not only scale up production but also develop more advanced defense technologies and penetrate foreign markets. Coincidentally, when many European defense firms scaled back their operations after the end of the Cold War, South Korea began to see Europe as a potential market for defense products since Korean defense companies continued to make a full range of systems for the ROK military and had a growing arms surplus. Still, South Korea did not make its first major arms sale to a NATO member until 2001, when it sold $10 billion in K-9 howitzers to Türkiye.[11]

Increasingly, however, Korean companies began to place their attention on entering the more lucrative, but also more difficult, European defense market. An opportunity emerged in the 2010s when Norway and Finland wanted to replace their aging howitzers with the Korean-made K-9, and interest in Korean weapons took on new urgency after Russia's illegal annexation of Crimea in 2014. According to a defense expert at the Korea Institute for Defense Analyses, "before the Crimean crisis, I can't think of a major Korean weapons system exported to Europe. But in 2014, the year the Russian takeover occurred, Korea negotiated a K-9 licensing agreement with Poland, then Norway and Finland in 2017 and Estonia in 2018."[12] In March 2023, Denmark, Finland, Norway, and Sweden signed the Nordic Air Commander's Intent to ensure more seamless operations together; and having and sharing similar platforms and equipment, such as the K-9, was an important step in that direction. Subsequently in December 2023, South Korea signed another agreement with Norway and Finland to simplify transfers of K-9 parts.[13]

Korean firms were able to help fill Europe's need for upgraded defenses rapidly and cost effectively. Yang Uk, a senior defense analyst at the Asan Institute for Policy Studies, points to four main reasons for South Korea's defense arms success story: (1) maximizing the opportunities provided by existing high-tech industries in South Korea; (2) weapons systems that are made to meet a wide range of tangible and growing military threats from North Korea including limited battlefield engagements; (3) economies of scale that allow South Korean arms to be produced at a more cost-effective rate than those of competitors; and (4) rapid production and delivery capabilities.[14] Table 1 shows the scale of recent South Korean defense production.

Table 1. South Korea’s Top Twenty Largest Defense Companies (USD Billion)

Ranking	Company	2025 Market Cap	Main Products
1	Hanwha Aerospace	$32.10 billion	Howitzers, engines, space technologies
2	HD Hyundai Heavy Industry	$22.82 billion	Ships, engines
3	Hanwha Ocean	$17.96 billion	Ships, vessels, submarines
4	Hyundai Rotem	$14.01 billion	Tanks, ground systems, transports
5	Samsung Heavy Industries	$10.7 billion	Special purpose naval vessels
6	Korea Aerospace Industry (KAI)	$7.16 billion	Aircraft, drones, components
7	Hanwha Corporation	$7.48 billion	Precision munitions, explosives
8	Hanwha Systems	$7.15 billion	ISR
9	Doosan Enerbility	$6.62 billion	Military power systems
10	LIG Nex1	$6.43 billion	Precision-guided munitions, missiles
11	Poongsan	$1.90 billion	Ammunition, explosives
12	Hyundai Wia	$1.89 billion	Remote systems, artillery
13	Rainbow Robotics	$1.62 billion	Military robots, dual-use technologies
14	HJ Shipbuilding & Construction	$1.22 billion	Naval support
15	MNC Solution	$0.99 billion	Hydraulic systems
16	SNT Dynamics	$0.76 billion	Precision machinery
17	SNT Motiv	$0.67 billion	Small arms
18	Samyang Comtech	$0.37 billion	Ballistic protection
19	Aerospace Tech of Korea (ASTK)	$0.16 billion	Aerospace
20	New Power Plasma	$0.14 billion	Plasma process and cleaning

Note: Hanwha Group is the largest defense conglomerate in Korea. It includes Hanwha Aerospace, Hanwha Ocean, and Hanwha Systems. The rankings are different depending on which sources are used.

Sources: “Largest South Korean Companies by Market Capitalization,” CompaniesMarketCap, accessed December 2025, https://companiesmarketcap.com/south-korea/largest-companies-in-south-korea-by-market-cap; and “The Korea Defense Industry Index,” Akros, published July 13, 2024, accessed December 2025, https://tracker.index.engineering/indices/KDEF..

A Growing Focus on Europe

Two tipping point moments contributed to South Korea's rise as a significant arms manufacturer and exporter. The first was meeting Poland's urgent need for tanks, howitzers, and light combat aircraft after Warsaw rushed its own weapons to Ukraine following the Russian invasion in 2022. The second was South Korea's concerted effort, dubbed Make American Shipping Great Again (MASGA), as part of the Lee administration's efforts to reach an initial tariff agreement with the Trump administration by August 2025. According to reporting by the *Diplomat*,

> The branding was deliberate: borrowing from U.S. President Donald Trump's "Make America Great Again" slogan, MASGA appealed directly to the White House's political messaging while offering substantive industrial cooperation. The sight of red MASGA hats at the negotiation table underscored Seoul's deft use of symbolic diplomacy.[15]

Subsequently, Trump announced on December 22, 2025, that Hanwha Ocean would be part of the U.S. Navy's so-called Golden Fleet plan, including a new *Trump* class of frigates, and that the company was going to invest $5 billion to upgrade the Philadelphia shipyard it had acquired earlier.[16]

Trump's statement followed the U.S.–South Korea comprehensive tariff and investment agreement in October 2025, with details revealed by the White House in November 2025.[17] The White House noted, in part, that the United States would continue to provide extended deterrence for the ROK and that South Korea promised to increase defense spending to 3.5 percent of GDP, to buy some $25 billion in American arms by 2030, and to increase support for maintaining the U.S. forces in South Korea.[18] This was a huge boost for South Korea's defense exporting potential and especially to Hanwha Ocean and HD Hyundai since they are world leaders in commercial shipping such as building liquefied natural gas carriers, naval vessels, submarines, and, more recently, submersible drones.[19]

One major advantage South Korea had over European defense companies was the fact that it continued to spend an average of 2.5 percent of GDP on defense from 2000 to 2024.[20] NATO-Europe's defense spending as a percentage of GDP was 2.1 percent of GDP in 2000 but dropped to 1.5 percent before the Russian invasion of Ukraine in 2022.[21] South Korea did not have a peace dividend like its European counterparts since it continued to face a wide range of military threats from North Korea including Pyongyang's successful development of nuclear weapons in 2006. This period also saw a sharp growth in South Korea's defense corporations that were, and remain, dominated by five major firms: Hanwha Aerospace, Hanwha Ocean, HD Hyundai Heavy Industry, Hyundai Rotem, and LIG Nex1.[22]

> **Overall, South Korea's growing reputation as a credible, affordable, and dependable arms supplier to Europe has reinforced its growing brand as an advanced arms producer and global exporter.**

Overall, South Korea's growing reputation as a credible, affordable, and dependable arms supplier to Europe has reinforced its growing brand as an advanced arms producer and global exporter. Entering the NATO defense market was important because of the organization's high standards and interoperability requirements. As South Korea's arms exports to Europe grow, so too will competition from European defense firms and pushback from EU and NATO governments to ensure that European companies are the major beneficiaries of Europe's planned defense spending increases.[23] South Korea will not be able to avoid growing competition from European arms manufacturers, but it can plan to remain competitive over the long run by significantly increasing its defense investments in Europe, including R&D centers, developing joint weapons, and increasing European defense sales to the ROK.

Becoming a Global Player

South Korea's growing arms sales to Europe and other regions such as Asia and the Middle East, including the Gulf, mutually reinforce the brand strength of Korea's weapons systems because they are perceived as high-tech, affordable, dependable, and tailored to local conditions and needs. Exporting Korean weapons to Europe, for example, increases South Korea's defense profile as an advanced defense player, particularly in the Middle East, since Europe remains a major supplier of arms to the Middle East and the Gulf. And Seoul's growing arms sales in key Asian countries strengthens Korea's contributions to beefing up deterrence against an increasingly aggressive China in the East China Sea and the South China Sea.

For example, the Philippines is emerging as South Korea's key defense partner among ASEAN states. In a major boost for Korea Aerospace Industries (KAI), South Korea signed a $712 million deal with the Philippines in June 2025 to supply twelve additional FA-50 light combat aircraft by 2030.[24] According to media reports, Manila is also considering the purchase of the KF-21 4.5 generation fighter aircraft that South Korea will enter into service in the ROK Air Force in 2026. A KAI senior manager noted that "we value the Philippine Air Force—they already operate the FA-50 and recently ordered additional units. We are committed to supporting them in strengthening their capabilities."[25] An assessment made by the International Institute for Strategic Studies in 2023 noted, in part, that "South Korea's arms deals have benefitted from a policy of facilitating local work at a time when many Gulf countries are investing heavily to build up their domestic defence-industrial base."[26]

Moreover, the report stressed that:

> South Korean companies have aggressively tried to expand their presence in the region by creating local ties. In the UAE, for example, Hanwha and LIG Nex1 have opened offices in Abu Dhabi to serve as a beachhead to pursue opportunities in the region and to support the implementation of existing contracts. LIG Nex1 and Poongsan also have offices in Riyadh. Saudi Arabia is requiring companies to set up their regional headquarters in Riyadh by 2024 if they want to secure business.[27]

According to press reports, South Korea's GPS-guided bombs, which were sold to the Thai air force, were used in border skirmishes between Thai and Cambodian forces in June 2025.[28] The Royal Thai Air Force stated that it had "accumulated real operational experience with the South Korean–made T-50TH light attack aircraft during border dispute responses" with Cambodia.[29] South Korea sold eighteen FA-50 light combat aircraft to Malaysia in 2023, in one of the largest defense deals made by Malaysia.[30] In January 2026, *Defence Security Asia* reported that if the Malaysian air force proceeds with a second-phase FA-50 program, it could result in the sale of eighteen additional FA-50 fighters to Malaysia to bring the total number to thirty-six FA-50s.[31]

Although South Korea's share of worldwide arms sales remains relatively small at 2.2 percent, according to 2024 SIPRI data, it has been growing.[32] *Defense News* reported in 2025 that four South Korean defense firms were ranked among the world's top one hundred largest defense firms (see tables 2 and 3), alongside such well-established defense giants such as Lockheed Martin, Raytheon Technologies (RTX), Northrop Grumman, General Dynamics, and Boeing.

Table 2. Global Rankings of South Korean Defense Companies (2025)

Global Ranking	Company	Total Defense Revenue in 2024 (U.S. Dollars)
22	Hanwha*	$6,817,347,000
53	LIG Nex1	$2,360,000,000
62	Korea Aerospace Industries (KAI)	$2,017,258,186
67	Hyundai Rotem	$1,740,000,000

Note: The source only lists Hanwha, presumably including all of its defense affiliates.

Source: "Top 100 for 2025," *Defense News*, https://people.defensenews.com/top-100.

Table 3. Share of Exports Among World's Top Ten Arms Exporting Countries Since 2015

Rank	Exporting Country	Share of Global Arms Exports, 2020–2024	Share of Global Arms Exports, 2015–2019	Percent change from 2015–2019 and 2020–2024
1	United States	43%	35%	21%
2	France	9.60%	8.60%	11%
3	Russia	7.80%	21%	-64%
4	China	5.90%	6.20%	-5.40%
5	Germany	5.60%	5.70%	-2.60%
6	Italy	4.80%	2.00%	138%
7	UK	3.60%	3.60%	-1.40%
8	Israel	3.10%	3.20%	-2.00%
9	Spain	3.00%	2.30%	29%
10	South Korea	2.20%	2.10%	4.90%

Note: The percent change column shows the change in volume of the total arms exports per exporter between the two periods.

Source: Mathew George, et. al., "Trends in International Arms Transfers, 2024," SIPRI Fact Sheet, March 2025, https://www.sipri.org/publications/2025/sipri-fact-sheets/trends-international-arms-transfers-2024.

South Korea is also among the world's largest arms importers, ranking twelfth in 2024, but the overall percentage has declined from 3.4 percent (2015–2019) to 2.6 percent (2020–2024), reflecting South Korea's growing self-sufficiency in key sectors.[33] Unsurprisingly, the United States accounted for 86 percent of South Korea's arms imports.[34]

Russia's 2022 invasion of Ukraine triggered a massive effort by the United States and NATO-Europe to arm and supply Ukraine with a full range of weapons, although shortages continued to plague the Ukrainian forces. The *New York Times* reported in April 2023 that while NATO assessed that Ukraine needed 253 tanks for active defense, only 200 tanks would be delivered and "the majority, 140, would be refurbished Soviet-era tanks, including from Ukraine's current arsenal."[35] At the time of the invasion, the Ukrainian military was stocked primarily with Soviet-era weapons, and it lacked modernized air defense systems, combat aircraft, ammunition, and armor, among other weapons. And because many European defense companies were unable to supply Ukraine rapidly due to mothballed defense factories, complex bureaucracies, and long lead times, South Korea was able to fill the gap in critical areas such as 155-mm ammunition, tanks, and howitzers—key weapons for fending off Russia's ground assaults.[36]

An additional consideration for South Korea was North Korea's decision to send troops to help Russian forces in fall 2024. For South Korea, this was an alarming development since the Korean People's Army would be gaining real combat experience, especially in testing the effectiveness of its anti-drone tactics. More worrisome was the potential for Russian military technology transfers to North Korea. The Multilateral Sanctions Monitoring Team, which monitors UN Security Council resolutions in regard to North Korea, published a report in May 2025 that said Russia had transferred *Pantsir* air defense systems to North Korea.[37] The report also noted that "Russia has supported North Korea's ballistic missile programs by providing data feedback on ballistic missiles, leading to improvements in missile guidance performance."[38]

Whether South Korea can become a long-term defense partner with Europe depends on numerous factors. As noted above, South Korean defense firms will face more competition as major European arms manufacturers awaken from a post–Cold War stupor and the EU and NATO stress the importance of arming Europe with European arms. And while South Korea has promised defense technology transfers to Poland, RAND analysts Stuart Dee and Kiran Suman-Chauhan emphasize that:

> What works for Poland is unlikely to make sense uniformly across Europe, and it is unlikely to be in South Korea's interests to erode its competitive position by conceding so much of its hard-won technology. Other European partners should not expect the first-customer treatment that Warsaw has received.[39]

The ROK is also going to face stiffer competition from Japan, a high-tech power that, until recently, had legally constrained arms exports.[40] According to December 2025 data from SIPRI, Japanese defense companies' revenues increased by 40 percent from 2023 to 2024 (the most of any country), while South Korean defense firms had the third-highest growth of 31 percent during the same period.[41] Japan's influence became apparent in August 2025 when the Royal Australian Navy selected Mitsubishi Heavy Industries to build eleven improved *Mogami*-class frigates for $6.5 billion.[42]

Despite competition from legacy European defense firms and new competitors, South Korea has a distinct advantage due to its ability to deliver major weapons systems on time, at competitive pricing, and with proven maintenance skills and platforms, as well as its ability to provide a full spectrum of weapons systems. As one Taiwanese defense analyst noted:

> South Korea's defense industry is advantaged by its considerable production capabilities. Its ongoing efforts aim at achieving extended range and heightened accuracy in targeting North Korean threats. Germany presents a contrasting scenario, as the German military grapples with the repercussions of prolonged disinvestment . . . .

> [Another] consideration pertains to the quality of South Korean weaponry, marked by a process of modernization that has elevated it to levels of sophistication and complexity comparable to some of the finest U.S. armaments. A notable example of this advancement is the K-239 Chunmoo multiple rocket launcher system, acknowledged by military experts as closely resembling the U.S. HIMARS. The South Korean variant is approximately 40 percent more cost-effective than its U.S. counterpart.[43]

The fact that South Korea has had a hot-production line of major weapons systems since the late 1970s—which has been modernized, expanded, and, most importantly, technologically upgraded with significant domestic R&D—means that it is easy to pivot to exports as demonstrated by arms sales to Ukraine, Poland, and Romania following the outbreak of the Russia-Ukraine war. As reporter Gordon Arthur noted, South Korea can provide arms rapidly since the government is willing to rearrange weapons that were made for the ROK military to be transferred for exports as an incentive to boost foreign arms sales.[44]

In sum, the South Korean defense industry made critical leaps to meet a growing array of military threats from North Korea (and, more recently, from a more militarily aggressive China), maximizing the infusion of South Korea's high technologies into weapons systems including indigenous R&D, and taking advantage of its position as one of the world's major trading powers.[45]

Cementing NATO–South Korea Defense Ties

As South Korea's windfall from the Russia-Ukraine war ebbs and flows, however, it must begin to recalibrate its comprehensive defense and security relationship with the EU and NATO so that it can maintain a long-term presence. According to SIPRI data, South Korean arms sales to Europe hit $12.55 billion in 2022, dropped to $2.64 billion and $2.62 billion in 2023 and 2024 respectively, and then increased to $11.03 billion in 2025.[46] The recent surge in arms sales to Europe was driven by additional defense exports to Poland such as a $4 billion contract signed in December 2025 by Hanwha Aerospace to supply the Chunmoo guided missiles through a joint venture with Poland's WB GROUP.[47]

If the ROK's rapid and cost-efficient delivery of key weapons systems to frontline states like Poland, Nordic countries such as Finland, and the Baltic states which share borders with Russia can be seen as the first phase of its strategic alignment with European defense strategy, the second and third phases could be characterized by significantly ramping up defense investments in Europe and collaborating on AI-driven defense platforms. Most recently, on February 12, 2026, Hanwha Aerospace broke ground on its first European production center called the Hanwha Armoured Centre of Excellence (H-ACE) Europe in Petrești, Romania. Hanwha Aerospace Romania subsidiary plans to receive 80 percent of assembly, integration, testing, and on-going support.[48] Media reports stressed that with the new Romanian facility, "Hanwha expects to expand its European footprint, develop infantry fighting vehicles, long-range precision strike systems, and unmanned ground vehicles, while integrating more than 30 Romanian industrial partners into global supply chains." [49] From Europe's side, BAE Systems, a major British defense firm, seeks to expand collaboration with South Korean defense companies, saying that "to ensure rapid decision-making and execution of missions by ground, sea, and air forces in a fast-paced future battlefield environment, the unmanned nature of weapons systems and the establishment of real-time network environments are of utmost importance[50]

> **Poland has become a key hub for Korean weapons exports and production in Europe.**

In 2024, 46 percent of South Korea's defense exports worldwide were destined for Poland, highlighting the centrality of Poland to South Korea's arms export strategy toward Europe. Poland has become a key hub for Korean weapons exports and production in Europe, but it has also required key technology transfers and local production as conditions for buying Korean arms. So far, this arrangement has worked to the benefit of both Poland and South Korea; for Seoul, Poland became "an export model that is leading to greater engagement and integration with NATO countries," and for Warsaw, imports from South Korea "do not need to come at the cost of a sustainable domestic industrial base—in fact, they can enhance it."[51]

While Polish-Korean arms deals have received much greater attention since the outbreak of the Russia-Ukraine war in 2022, Korea first exported K-9 howitzers to Poland in 2014.[52]

According to Nicolas Jouan at RAND Europe, Polish and South Korean interests have converged into an unexpected partnership:

> South Korean defence manufacturers also offer generous industrial participation terms, including local assembly and technology transfer particularly attractive to countries like Poland seeking to expand their own industrial base. This flexible approach contrasts with the more rigid export models of some European producers and has contributed to Seoul's growing credibility as a strategic supplier rather than a mere stopgap source of equipment.[53]

In mid-November 2025, the final twenty K-2-GF tanks that were ordered in 2022 were delivered, and 204 out of 218 K1-A1 self-propelled howitzers (with 146 configured to Polish specifications, that is, K9-PL) are scheduled to be sent to Poland by 2027.[54] In addition, Estonia signed a €290 million ($342 million) contract to buy six Chunmoo multiple rocket launchers, with scheduled delivery in the latter half of 2027, and Hanwha announced it was going to invest 20 percent of the total procurement value in Estonian industry.[55] According to reporting by the *Korea JoongAng Daily* in January 2026, Norway could sign a $1 billion deal for sixteen Chunmoo launchers. If successful, "it would mark the first export of a Korean multiple launch rocket system to a Northern European country."[56] These are important milestones, but not necessarily indicators that South Korea has become a trusted defense partner, rather than just a successful arms supplier.

As many European politicians and policymakers have told their South Korean counterparts, if the ROK wants to be a major non-NATO defense and security partner, it must demonstrate greater willingness to align more closely with EU and NATO positions regarding Russia.[57] From South Korea's perspective, it is operating within the confines of its unique political geography since the Korean Peninsula shares borders with Russia and China—both of which are key North Korean supporters. Europe, on the other hand, believes that South Korea could provide stronger political support for NATO's ongoing struggle with Russia, which could worsen even after the Russia-Ukraine war comes to an end. For example, on December 11, 2025, NATO's secretary general gave one of the most important speeches since the outbreak of war in Ukraine, saying that the "dark forces of oppression are on the march again" and warning NATO that:

> This is not the time for self-congratulation, I fear that too many are quietly complacent, and too many don't feel the urgency, too many believe that time is on our side. It is not, the time for action is now. . . .
>
> NATO's own defences can hold for now but with its economy dedicated to war, Russia could be ready to use military force against NATO within five years. . . .
>
> *We need to be ready because at the end of this first quarter of the 21st century, conflicts are no longer fought at arms-length. Conflict is at our door. Russia has brought war back to Europe, and we must be prepared for the scale of war our grandparents or great-grandparents endured*. Imagine it, a conflict reaching every home, every workplace, destruction, mass mobilisation, millions displaced, widespread suffering and extreme losses. It is a terrible thought, but if we deliver on our commitments, this is a tragedy we can prevent.[58] (emphasis added)

How the Russian threat is perceived in South Korea and in Europe is very different. For Europe, if South Korea wants to continue to sell arms to Europe and become a trusted defense partner, it must stand behind NATO concerning Russia. NATO-Europe recognizes South Korea's role in resupplying Poland and other NATO states such as Romania with critical weapons that Europe was unable to provide in time soon after the outbreak of the Russia-Ukraine war. As Europe's rearmament push begins in earnest with NATO's commitment to increase total defense spending to 5 percent of GDP (3.5 percent on direct defense spending and 1.5 percent on related critical infrastructures), Europeans want to see the bulk of that spending going to their own defense companies despite the growing demand for South Korean military hardware.[59]

For South Korea, the key challenge lies in how it can maintain a significant defense footprint in Europe when the EU's and NATO's defense modernization and rearmament efforts rightly focus on benefiting European countries and companies. One positive element is the fact that South Korea agrees with the European Union's positions on critical security priorities. From the importance of maintaining open sea-lanes, coping with hybrid threats, sustaining the liberal international order, and fighting climate change, there is no difference between South Korea and the EU. On peace and security, there is a very strong consensus, as the two sides stressed in 2023:

> The EU-ROK Summit (Seoul, 22 May 2023) Joint Statement recognised the threats to global peace and security, notably Russia's war of aggression against Ukraine and the Democratic People's Republic of Korea's (DPRK) nuclear and missile programmes. The Summit called to develop a security partnership and establish a Strategic Dialogue at Foreign Ministerial level to enhance our cooperation on global peace and security. It highlighted the importance of strengthening cooperation for Peace and Stability in areas such as disarmament, non-proliferation, maritime security, counterterrorism and prevention of violent extremism, cybersecurity, foreign information manipulation and interference.[60]

While the ROK must redouble its efforts to localize defense production, it also makes sense for Europe to be pragmatic in maximizing its planned defense acquisitions and investments. As Gorana Grgić wrote in *Monocle* in October 2025, "tensions are inevitable—arms dealing is a political game" and poses unique challenges to South Korea because as South Korea's defense footprints in Europe expand, it "could spark friction over market share and industrial subsidies unless Washington and Seoul co-ordinate carefully."[61] Despite these tensions, however, she stressed that Europe should take advantage of South Korea's overall value as a technologically advanced and dependable arms supplier "that requires deals to guarantee meaningful technology transfer, unambiguous intellectual-property rules and joint R&D so that kit can be maintained, upgraded and integrated with European systems."[62]

Key Backdrops: Free Trade (2011) and Digital Trade (2025) Agreements

Maximizing South Korea's growing trade with Europe and European investment in Korea offers an avenue for stronger trust-building. The European–South Korean nondefense trade relationship is taking on new importance after the shocks of the COVID-19 pandemic and U.S. tariffs revealed a need for more resilient and reliable global supply chains. Although it does not necessarily follow that increasing nondefense ties also lead to parallel growth in defense-related trade, in the European–South Korean context, it is a positive reinforcement and a reminder that both sides can benefit from access to advanced technologies.

South Korea's ties were primarily economic and driven by growing trade ties such as the conclusion of the Korea-EU Free Trade Agreement that was signed in July 2011 and ratified in December 2015. In 2024, two-way trade in goods reached approximately €123.8 billion ($146.4 billion), a 96.51 percent increase since 2011.[63] The European Commission reported that "the EU's imports from South Korea reached €68.1 billion [$80.5 billion], while exports to South Korea totaled €55.7 billion [$65.8 billion], resulting in a €12.4 billion [$14.6 billion] deficit for the EU with South Korea."[64] Another significant landmark was the Digital Trade Agreement, signed by the EU and ROK on March 10, 2025, and according to media reports, the agreement's top priorities included "cross-border data flows, privacy protection, customs duties on electronic transmissions, electronic contracts, and regulatory cooperation."[65]

> **The European–South Korean nondefense trade relationship is taking on new importance after the shocks of the COVID-19 pandemic and U.S. tariffs revealed a need for more resilient and reliable global supply chains.**

In 2023, the ROK and the EU marked the sixtieth anniversary of diplomatic relations and held their first strategic dialogue in November 2024, announcing a security and defense partnership. Overall, South Korea ranks as the EU's eighth-largest trading partner, while the EU is the ROK's third-largest after China and the United States. Although trade ties have continued to grow since the 2010s, South Korea only accounted for 2.5 percent of the EU's total trade volume in 2024.[66] South Korea's main exports to the EU include high-tech products and components, machinery, and chemical products. One of the most interesting aspects of EU–South Korean economic relations is that the EU is the largest foreign direct investor in the ROK with some €53.3 billion ($63.5 billion) in 2023, according to EU data.[67]

Owing to their free trade agreements, 98.7 percent of all products between the EU and South Korea do not have customs duties, but defense products are not included since both sides have the right to take actions on key national security interests such as arms sales, as described in Article 15.9 of the free trade agreement.[68] So far, the ROK has signed memorandums of understanding with relevant European countries to facilitate defense exports. It has also upgraded its trade agreement, or the carryover deal, with the post-Brexit UK and concluded an agreement in December 2025. UK Trade Minister Chris Bryant said that the deal would provide a £400 million ($550 million) boost to the UK's services sector and broaden access for financial services, while South Korean Trade Minister Yeo Han-koo stated that the deal was going to "strengthen the free-market system in a trade environment with heightened uncertainty."[69]

"Europeanizing" South Korea's Defense Relations with Europe

South Korea wants to be seen by the EU and NATO members as a trusted, long-term, embedded defense and security partner. For this to happen, the ROK should significantly overhaul its defense cooperation strategy with Europe. Although the circumstances are very different, just as South Korea's tech and shipbuilding companies are investing tens of billions of dollars in the United States, Korea's defense firms must make long-term manufacturing investments in Europe.[70] This strategy of localization must become a priority for these firms if they want to have a lasting footprint in Europe. And it will have an added benefit for ROK security interests such as having access to defense supply chains outside of South Korea in the event of major disruptions internally due to a major crisis or even conflict.

One of the reasons why Norway chose sixteen Chunmoo multiple rocket launcher units was because production lines will be based in Poland, which also buys the same system. A Norwegian government spokesperson stated, in part, that "this will strengthen security of supply for Norway and other European customers of the system . . . Hanwha is now planning to supply all European customers with missiles from there [Poland]."[71] According to Polish and Korean media reports as compiled by *Global Defense News* in August 2025, Hyundai Rotem, which manufactures the K-2 tanks, "plans to establish Poland as the European production center for the K-2 Black Panther main battle tank" and that a second agreement worth some $6.5 billion with Hyundai Rotem will help Poland "not only be capable of producing new units but also supporting, maintaining, and potentially exporting future K2 variants within NATO and allied markets."[72]

NATO and Europe are at a pivotal moment as they begin a major defense modernization, and Korean defense firms should invest billions of euros to help the continent meet its security needs. As one June 2025 European report noted:

> Part of the EU's strategic autonomy agenda in the defence space is that access to Union funding remains limited to companies established in the EU or associated countries that are not controlled by entities from outside the EU. *There are narrow exceptions, including the possibility of Member State derogations and recognition of "trusted partner" relationships with third countries via Security and Defence Partnerships with the EU, such as the ones with Japan, South Korea*, (very recently) the United Kingdom, and potentially Canada in the future.[73] (emphasis added)

Yet the preference for homegrown defense firms represents a challenge for Korean firms. Polish defense analyst Przemyslaw Biskup stated in an interview in October 2025 that "European [defense] producers will push to keep the market for themselves" so that Korean companies must become "partly European" and attune to global cooperation efforts and EU initiatives, including the European Defense Industrial Program, Permanent Structured

Cooperation, and Security Action For Europe.[74] While Poland and other European countries welcomed the speedy transfer of arms from South Korea, European defense firms took notice and began improving their own production capabilities to ensure that Europe remains competitive in their own backyard.[75]

It remains to be seen whether South Korea can maintain a high level of arms exports to Europe and forge joint defense ventures following the end of the Russia-Ukraine war. South Korea will face growing competition from long-established European defense firms as well as U.S. defense giants that want to continue to sell major weapons systems to Europe. While South Korea does not compete with very advanced U.S. weapons such as advanced fighters, it produces the medium-range surface-to-air missile system such as the Cheongung, which is often cited as "Korea's Patriot"[76] that is competitive in Europe.

Europe's Additional Concerns

Other factors could alter the security ties between Europe and South Korea, such as potential Korean investments into postwar Russia and South Korea's contributions to strengthening NATO's Arctic security capabilities. Major Korean firms such as Hyundai Motor Group, Samsung, and LG all had factories in Russia before the war. Nevertheless, there will be significant obstacles to reentering the Russian market. For instance, Chinese car manufacturers (including electric vehicles) have rapidly dominated the global EV market, including Europe.[77] Moreover, the total level of South Korean exports to Russia is meager compared to its overall trading volume. In 2024, South Korea's exports to Russia were estimated at $4.52 billion, just 0.66 percent of its total exports of $683 billion.[78] Europe would prefer it if South Korea did not return to the Russian market, and whether or not Seoul pays greater attention to this issue could influence the future of EU-Korea relations. But it is instructive to note that according to a Russian assessment, Russia comprised only 0.6 percent of South Korea's FDI from 2011 to 2018.[79] A report published by the Russian International Affairs Council in 2020 noted, in part, that Russian–South Korean trade ties were very small compared to Russia's other trading partners, and that "primarily, big South Korean businesses do not want to burden themselves with what they see as risky long-term investment in Russia's processing industry projects and infrastructural initiatives."[80]

As one of the world's leading exporting powers, South Korea must also contend with growing Russian control over the Northern Sea Route, the Russia-designated sea route that is part of the broader Northeast Passage, as it seeks to increase its own access to the Arctic.[81] In an interview with a major newspaper in South Korea in February 2025, Russian Ambassador to South Korea Georgy Zinoviev stated, in part, that South Korea's development of an Arctic route is "impossible without close cooperation with Russia" and that while Russia was ready to begin constructive talks with South Korea, it would also depend "on how realistic Korea's aspirations to develop the Arctic route are."[82] If South Korea is able to ship goods to

Europe through the Northeast Passage, the route will be 29 percent shorter and lead to lower costs and shorter transit times.[83] In August 2025, the Lee administration announced that South Korea will begin Arctic shipping in 2026 with initial operations, with investments in icebreakers, although South Korea's plans will likely face stiff competition from China. In July 2025, Hanwha Ocean announced that it was going to build a next-generation icebreaker, and the Ministry of Oceans and Fisheries stated that "by the summer of 2030, when the vessel is expected to enter service, navigation across the entire Arctic Ocean is anticipated to be feasible. This will enable critical data collection to support the opening of the Arctic sea route, among other contributions."[84]

> **In short, Europe wants to know if South Korea can become a long-term security partner on top of its long-standing political, economic, and technological ties with the EU and NATO.**

In short, Europe wants to know if South Korea can become a long-term security partner on top of its long-standing and growing political, economic, and technological ties with the EU and NATO. Such considerations have gained greater significance following the deployment of North Korean troops in Europe in 2024. And if South Korea is interested in developing long-term defense and security networks with the EU and NATO, it must see Europe as a genuine defense partner with mutually reinforcing defense sales and collaboration.

Charting a Joint Defense Road Map

Transitioning from an Arms Exporter to Localized European Defense Partner

Seoul wants its European partners to see South Korea as a viable, two-way, multi-role partner, especially in the defense sector. Unaffected by the end of the Cold War, South Korean defense firms continued to develop a full range of battle-ready weapons systems in the face of ongoing threats from North Korea.

Going forward, if the ROK wants to have a greater defense footprint in Europe and be seen as a trusted non-NATO partner, it must show its commitment to localizing defense production centers in Europe, establish defense R&D centers, and sustain current niche European-Korean defense partnerships. The last two points are particularly important as AI-driven defense platforms (especially in the C4ISR sectors) will gain increasing prominence in future force structures in Europe and like-minded states in Asia.

An example of technological cooperation is between Thales Alenia Space—one of Europe's leading aerospace firms—with ADD, KAI, and Hanwha Systems. This collaboration led to the co-development of South Korea's first synthetic aperture radar satellite as part of Korea's 425 Project aiming to develop and deploy military satellites.[85] In November 2025, South Korea launched its fifth military satellite, primarily tasked with tracking developments in North Korea. Reporting on these satellites found that they are "also capable of monitoring potential threats from neighboring countries such as China and Russia." The ROK Ministry of National Defense noted that the system would enable "multilayered identification of potential conflict zones with surrounding nations."[86] Korean firms are building off of this success elsewhere in Europe: the Swedish Defence Materiel Administration signed a $110 million contract with Hanwha Aerospace to codevelop NATO-compatible modular charge systems.[87] And in December 2025, a NATO Parliamentary Assembly Sub-Committee on Technology Trends and Security visited Seoul, where Hyundai Rotem showcased AI-based combat platforms that could lead to deeper cooperation on AI and uncrewed systems.[88]

Such visits from a high-level NATO delegation would have been inconceivable a quarter of a century ago. South Korean defense exports were just beginning, and while Europe was aware of the North Korean security threat (especially after it conducted its first nuclear test in 2006), no one in Brussels really believed that South Korea could become an important non-NATO defense partner. Despite obstacles and rising competition as noted above, South Korea and Europe can build a closer defense relationship based on the twin pillars of political alignment and advanced technological R&D. Even though the United States is going to continue to play the most important role in safeguarding European and Asian security, both NATO-Europe and America's Asian allies must think about enhancing their own defense capabilities as the United States seeks to lessen its defense burden.

There are no real downsides to building stronger European-Korean defense ties despite growing competition in defense industries.

In the end, the main takeaway is that there are no real downsides to building stronger European-Korean defense ties despite growing competition in defense industries. This is because of rapidly shifting weapons procurement priorities after 2022, such as the need for speedy delivery of critical armaments and strengthening alternative sources of advanced defense technologies as America begins to rethink its traditional security commitments in Europe and Asia.

Dealing with Contradictions in Korean-European Relations

Although the ROK engages with the EU and NATO on security issues, defense issues were not high on the agenda until the Russia-Ukraine war. South Korea became a NATO partner state in 2006 and signed an Individual Partnership and Cooperation Programme in 2012.

This was upgraded to the Individually Tailored Partnership Programme in July 2023 and specified "11 sectors of cooperation between Korea and NATO like dialogue and consultation, cooperation in anti-terrorism efforts, disarmament and nonproliferation, emerging technologies, cybersecurity and public diplomacy."[89] As part of South Korea's efforts to elevate ties with NATO, Seoul established a Permanent Mission to NATO in November 2022, although the ROK ambassador to Belgium and the EU is concurrently accredited to NATO. (The Japanese Foreign Ministry appointed separate envoys to Belgium, the EU, and NATO). For NATO, deepening political dialogue and exchange with South Korea gained greater urgency with the deployment of North Korean troops in Europe. In a July 2025 statement, NATO specified that it works with "partners in the Indo-Pacific region against the backdrop of an increasingly complex global security environment, including Russia's war of aggression against Ukraine, the provision of troops and weapons by North Korea in support of that war, and the deepening strategic partnership between China and Russia."[90]

For Europe, the fact that North Korea sent thousands of troops to support Russia was a tipping point that amplified and localized the North Korean threat which, until then, was primarily seen through the lens of North Korea's growing nuclear weapons capabilities and the Kim family's dynastic dictatorship. And while the EU continued to maintain critical economic and trade ties with China and was not as concerned about China's growing military capabilities compared to the United States and Japan (and to a lesser extent, South Korea), closer Sino-Russian ties throughout the Russia-Ukraine war also reminded Europe of the increasing global ramifications of China's military rise. In March 2025, the European Commission released a *White Paper for European Defence—Readiness 2030*, and while the bulk of the report rightly focused on Europe's need for a rapid and comprehensive military buildup, it also stressed rapidly changing geopolitical dynamics including a much stronger and more aggressive China. The report read:

> While China is a key trading partner for the EU, it is increasing defence spending, with a lack of transparency around its military build-up. It now has the second highest military spending in the world, surpassing all other East Asian countries combined. It is rapidly expanding its military capabilities, including nuclear, space and cyber capabilities. *This shift is significantly altering the strategic balance in the Indo-Pacific*. . . . China is intensifying its political, economic, military, cyber and cognitive measures to coerce Taiwan, while remaining below the threshold of direct confrontation. *The shifting Taiwan status quo raises the risk of a major disruption which would have profound economic and strategic consequences for Europe.*[91] (emphasis added)

How South Korea Can Become a "Trusted" Defense Partner

The European Commission's defense white paper emphasized the urgent need for NATO to close critical defense gaps in seven key areas:[92]

1. Air and missile defense
2. Artillery systems
3. Ammunition and missiles
4. Drones and counter-drone systems
5. Military mobility
6. AI, quantum, cyber, and electronic warfare
7. Strategic enablers and critical infrastructure protection

NATO plans to fill these gaps primarily through the efforts of member states, which include, but are not limited to, "ad-hoc multinational cooperation such as a 'lead nation' framework; the European Defence Agency, the NATO Support and Procurement Agency or the Organisation for joint armaments cooperation."[93] In a March 2025 statement, the European Commission emphasized that "the impact of increased national defence expenditure, and in particular of expenditure for investment, can be amplified by Member States spending collaboratively and sourcing from within European industry" and noted the importance of reducing costs and ensuring interoperability from the onset of Europe's new rearmament program.[94] On collaboration with international partners, the defense white paper stressed that "we will further expand and refine our tailored partnerships with bilateral, regional and multilateral partners across the globe in a mutually beneficial way to address a wide range of security challenges, including in the field of capability development and innovation."[95] Table 4 outlines how these principles might apply in the NATO-Korea relationship.

Table 4: Clusters of Joint NATO–South Korea Defense Cooperation

1. Political-Diplomatic	2. Defense Exports, Imports, and Investments	3. Joint R&D Defense Innovation	4. AI-Driven Battle Management Systems
• Sustained political dialogue through IP4 summits • Deeper Security & Defence Partnership that was signed in November 2024 • Greater ROK attention to NATO's Conference of National Armaments Directors that sets NATO standards • Annual foreign ministers meeting and upgrading it to a two-plus-two defense and foreign ministers' meeting • Annual meetings between NATO's Military Committee and the ROK Joint Chiefs of Staff • Specialized working group consultations such as for cyber defense	• Establish production facilities in Poland and Romania for K-2 tanks and K-9 howitzers to strengthen NATO's Black Sea flank • Create a European MRO hub through building joint facilities by South Korea's major defense firms, although this would entail overcoming significant built-in barriers • Establish a politically sustainable defense investment plan for major Korean defense contractors that are active in the European market • Formalize next-generation ISR partnerships between European and Korean firms	• Mandate a NATO-Korea Defense Science Board that oversees how both sides maximize their respective technical expertise and to fast-track joint development of weapons systems and C4ISR-related capabilities • Over-the-horizon disruptive military systems, especially hybrid formats (crewed-uncrewed, robots and drones), that can be developed jointly and that can be developed at cost with reliable supply chains	• AI-based C4ISR architectures, satellites, and related management subsystems • Counter-cyber capabilities that provide greater resilience to massive cyberattacks and growing industrial espionage

Of the key defense gaps that NATO needs to address, South Korea can help NATO in procuring advanced dual-use technology, such as air and missile defense, deep-strike artillery systems, ammunitions and missiles, and drones and counter-drone defense. To be sure, European defense companies are more than able to supply NATO with these systems and do not have to depend on South Korean technologies. Rather, the major advantage lies in South Korea's ability to deliver key weapons systems much faster and at competitive prices compared to their European counterparts. Conversely, Europe is also a depository of advanced defense systems and technologies that have benefited South Korea. For example, and as noted above, for the past twenty years, Thales Alenia Space—which is a joint venture between Thales, ADD, KAI, and Hanwha Systems—has played a key role in supporting South Korea's synthetic aperture radar military satellite program (known as the Korea 425 Project).[96]

As emphasized previously, South Korea must back up its Individually Tailored Partnership Programme status with matching investments, relevant technology transfers, and advanced defense innovation as a member of NATO's Science and Technology Organization. At the same time, South Korean companies should also consider the depth of technology transfers to European partners, because they are likely to face boomerang effects or reverse competition from European defense firms.[97] But if history can serve as a guide, South Korean industry also benefited immensely from technology transfers from the United States, Japan, and Europe as the ROK began to take off economically in the 1970s. In the long run, both Europe and South Korea can enhance mutual gains through deeper defense technology cooperation.

While there are numerous areas of potential defense R&D collaboration and joint weapons development (including ISR assets), there are four main clusters of NATO-Korea cooperation: (1) political-diplomatic alignment; (2) defense exports, imports, and investments; (3) joint defense innovation and R&D; and (4) AI-driven battle management systems. Of the four, the political-diplomatic alignment is arguably the trickiest one given South Korea's reservations about identifying itself too closely with the EU and NATO in relation to Russia. So far, Seoul has pivoted to European NATO countries, especially after the deployment of North Korean forces in Europe but following the end of the Russia-Ukraine war, South Korea will reevaluate its optimal political approach with Russia. But regardless of how South Korea responds to Russia over the medium to longer-term, as long as Sino-Russian cooperation continues—including joint aerial intrusions into South Korea's air identification zone and respective support to North Korea—the ROK has much more to gain by forging stronger political ties with the EU and NATO. Moreover, specific NATO-Korea dialogue, such as ensuring greater interoperability and meeting NATO standards, is an area that South Korea is very comfortable with.

If South Korea's major defense firms want to deepen their relationships with Europe and NATO, they should develop a comprehensive defense investment plan for Europe.

If South Korea's major defense firms want to deepen their relationships with Europe and NATO, they should develop a comprehensive defense investment plan for Europe. The plan should be drafted over five-year increments so that continuity can be strengthened regardless of which government is in power in South Korea. Though defense exports enjoy bipartisan consensus in South Korea, the polarized nature of Korean politics necessitates the need for long-term corporate strategies. A predictable and coherent approach taken by the Korean government and its defense firms, along with localizing production, will enhance South Korea's defense ties with Europe.

While the amount of investments will be up to the individual companies, it makes sense for major Korean firms to set up European MRO hubs, key defense R&D centers, and localized production facilities. On the political side, South Korea, the EU, and NATO should consider setting up an annual or biannual "two-plus-two" foreign and defense ministers' meeting. Finally, as AI-driven defense disruptions and innovations accelerate simultaneously, Korea and NATO-Europe should set up a "NATO-Korea Defense Science Board" that takes the lead in providing guidelines for joint defense and innovation R&D as well as select joint development of ISR assets. The single biggest unifying factor between European NATO countries and South Korea is the fact that they share democratic values, common worldviews, and approaches to critical global threats and challenges. Competition is going to increase between Europe and South Korea, but if bilateral trade in goods and services since the 2010s can serve as a guide, both sides gain through intensified trade and competition. There is no reason why defense collaboration should be any different.

South Korea's defense industry, and in particular, its growing defense ties with European partners, is at an inflection point because Korea needs to move beyond being a weapons supplier. There are three main clusters of NATO-Korea cooperation that will help the ROK to become a more embedded defense partner. First, Seoul must pay greater attention to deepening the Security and Defense Partnership that it signed with NATO in November 2024 and complying fully with NATO's Conference of National Armaments Directors that sets a full range of NATO standards. In particular, if South Korea and NATO agree to hold annual meetings between the ROK Joint Chiefs of Staff and NATO's Military Committee, it would add military muscle to the bilateral defense relationship. Second, Korean defense companies should expand local production and R&D facilities, including the establishment of a European MRO hub and crafting partnerships for next-generation capabilities such as ISR technologies. And third, as the costs for developing emerging weapons systems are becoming increasingly expensive, both sides should maximize their respective competitive edges and share critical defense-related intelligence.

It was difficult to imagine, even a decade ago, that South Korean defense firms would emerge as major weapons exporters to both developing and developed economies. There are obstacles to overcome for South Korean defense firms in the evolving European defense eco-system, but multiple factors are converging: long-established political ties between the United States and NATO-Europe continue to fray, there is an increasing need to replace and replenish key weapons systems for Central European states, and both Europe and South Korea face a common need to maximize returns on emerging defense R&D. In this context, the European-Korean defense relationship can become a small but pivotal partnership that provides increasingly tangible dividends to both sides. Niche defense cooperation between Europe and South Korea has already resulted in strategic gains, and it makes sense for both partners to strengthen the relationship as uncertainty mounts on the sustainability of U.S. security commitment to Europe and the need for dependable defense supply chains continue to grow.

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