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South Korean Aerospace and Defense Fact Sheet

- South Korea is the world's 11th largest defense spender with \$14.17 billion USD spent in 2003.
- The overall South Korean defense market is expected to grow by at least 10% over the next few years.
- South Korea's government seeks to increase its air traffic by absorbing customers from the overcrowded airports of Japan and China, and Korea is completely dependent on imports for its air traffic control systems.
- Because of unprecedented growth in aerospace and defense markets, the South Korean government extended several aerospace and defense tenders amounting to over 20 billion dollars in 2005 alone.
- The South Korean government approved a 2005 defense budget of 20.82 billion USD, up significantly from last year's 16.2 billion USD.
- 7.06 billion USD from the defense budget will fund the Force Improvement Program (FIP), and 13.76 billion USD will be used for operations and maintenance.
- South Korea has initiated a plan to significantly modernize and upgrade all of its armed forces, and in keeping with this goal, the South Korean Ministry of Defense has called for the FIP alone to become 37.9% of the national budget by 2008.
- Currently, the South Korean government has pledged 5 Billion USD to its Helicopter Program (KHP).
- The Ministry of Defense has decided that 28% of the KHP's technology will be obtained solely through foreign acquisition, and additionally, the South Korean Aerospace industry is now actively looking for partnerships with foreign companies in order to provide the other 72%.

