

FEATURE ARTICLES

From Supplier to Strategic Industrial Partner? How Europe Assesses Defense Industrial Cooperation with South Korea



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South Korea's rise as one of the world's leading defense exporters has altered Europe's defense industrial landscape. Prior to Russia's full-scale invasion of Ukraine in 2022, South Korean defense products occupied only a niche position within European procurement strategies. Since then, however, Korea has become one of the most visible non-European defense suppliers on the continent. The landmark Polish procurement of K2 main battle

tanks, K9 self-propelled howitzers, FA-50 light combat aircraft, and Chunmoo multiple launch rocket systems symbolized a broader transformation in European procurement priorities: speed of delivery, production capacity, affordability, and willingness to transfer technology became as important as platform performance. Yet, Europe's defense industrial priorities and procurement strategies are changing from urgent acquisitions toward a more comprehensive and longer-term

strategy that involves the (collective) rebuilding of its defense technological and industrial base, industrial resilience, and technological sovereignty, among others. This shift fundamentally changes how European countries assess South Korea—not simply as a supplier capable of filling capability gaps, but as a potential long-term industrial partner. From a European perspective, therefore, the key question is whether Korea can successfully transition from being an efficient exporter into becoming an embedded partner within Europe's evolving defense industrial ecosystem.

EUROPE'S CHANGING DEFENSE INDUSTRIAL PRIORITIES

European defense procurement has undergone a profound transformation over the past four years. The immediate post-2022

objective was to replenish depleted inventories and rapidly expand military capabilities.¹ To that end, European nations have, to varying degrees, significantly increased their domestic defense spending since Russia's invasion of Ukraine—especially after almost three decades of neglect of the defense industry and military expenditure.² In this strategic environment, South Korea's comparative advantages were obvious: Korean manufacturers could deliver modern systems at a reasonable price and within politically relevant timelines. A crucial factor has contributed to this dynamic, i.e., the

inability of the U.S. defense industrial ecosystem to keep up with the supply-demand curve. Historically, the United States was the major supplier of defense equipment to Europe; however, because its defense industrial ecosystem could not meet demand, South Korea was able to (at least partially) fill the vacuum, catering to the rising demand gap and emerging as a trusted partner.

However, defense industrial priorities in Europe have evolved since 2022, with three interrelated

objectives increasingly shaping procurement decisions:

First, Europe is increasingly treating the rebuilding of its defense technological and industrial base as a collective political project, not just a set of national

procurement decisions. After decades of underinvestment, the sharp rise in defense spending has been matched by a stronger push to Europeanize industrial effort, reduce duplication, and preserve interoperability across NATO forces.³ The European Union (EU) has become a central institutional driver of that shift because it can both regulate the market and mobilize money to shape it. The European Commission describes the European Defense Industrial Strategy (EDIS) as a vision for European defense industrial policy to 2035, aimed at strengthening the European defense industrial base, improving responsiveness, and mainstreaming a

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¹ Koenig, Nicole, Leonard Schütte, Natalie Knapp, Paula Köhler, Isabell Kump, and Jintro Pauly. *Defense Sitters: Transforming European Militaries in Times of War*. Munich: Munich Security Conference, Special Edition of the Munich Security Report, June 2023. <https://doi.org/10.47342/LIHA9331>.

² Fiott, Daniel. "The Fog of War: Russia's War on Ukraine, European Defence Spending and Military Capabilities."

Intereconomics: Review of European Economic Policy 57, no. 3 (2022): 152–156.

³ Uk, Yang, and Daniel Fiott. "Manufacturing Defence: Europe, the Republic of Korea and Defence Industrial Cooperation." CSDS Policy Brief 35/2024, November 26, 2024. <https://csds.vub.be/publication/manufacturing-defence-europe-the-republic-of-korea-and-defence-industrial-cooperation/>.

defense-readiness culture across EU policies. The European Defense Industry Program is designed to bridge emergency wartime measures and a more structural long-term approach, while the European Defense Industry Reinforcement through common Procurement Act, EDIRPA, and related instruments such as Security Action for Europe (SAFE) are intended to incentivize joint procurement, industrial cooperation, and faster scaling of production capacity.⁴ In political terms, these initiatives signal a consensus that defense production should happen increasingly within Europe, even though partners outside the EU remain important.⁵ The emphasis is thus on building a more integrated European industrial ecosystem that can support rearmament, reduce fragmentation, and keep critical capabilities under European control.

Second, governments across Europe are increasingly placing resilience at the top of their defense industrial strategy. The war in Ukraine has made clear that modern deterrence and sustained combat operations depend not only on advanced platforms, but on the ability to keep them operational over time. That has elevated questions of supply-chain security and the geographic diversification of production. In this environment, procurement is assessed by the strategic value of where systems are manufactured, how quickly output can be expanded in a crisis, and whether critical components can be sourced without major disruption. As a result, European governments are increasingly favoring suppliers and partnerships that can contribute to local production. Resilience has thus become a core criterion of defense cooperation.

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Third, technological sovereignty has become a central political objective. While complete strategic autonomy remains unrealistic, many European governments seek greater control over critical technologies, system maintenance, ammunition production, and R&D. European states thus increasingly want cooperation that preserves control over intellectual property and final integration, which makes local production, licensed manufacture, joint ventures, and technology transfer especially important.

DIFFERENT EUROPEAN REGIONS— DIFFERENT EXPECTATIONS?

Despite a push toward greater Europeanization, Europe's defense market is far from homogeneous, as countries differ substantially in industrial capabilities and procurement strategies.

Eastern Europe: Capability and Industrial Catch-Up

Eastern Europe has become the most receptive region for South Korean defense manufacturers because its governments arguably face the sharpest immediate security threat from Russia. As such, following the outbreak of Russia's war against

⁴ Genini, Davide. "Restructuring the EU's Defence Industrial Base amid Geopolitical Shifts." *Maastricht Journal of European and Comparative Law* 32, nos. 5–6 (2025): 530–551 [540].

⁵ Lee, Chung Min. "South Korea as a Rising Defence Exporter: Challenges and Opportunities." Research Paper. International

Institute for Strategic Studies, December 11, 2025.
<https://www.iiss.org/research-paper/2025/12/south-korea-as-a-rising-defence-exporter-challenges-and-opportunities/>.

Ukraine, rapid expansion of military capabilities was particularly crucial for Eastern European states. However, in this region, South Korean firms are not judged only as suppliers of ready-made equipment, but as partners that can help rebuild national defense industries.

Poland is the clearest example of this model.⁶ Since 2022, Warsaw has combined emergency rearmament with an explicit ambition to strengthen its own defense-industrial base, and the Korean industry has been willing to offer speed, scale, and industrial cooperation. The result has been a relationship that goes well beyond procurement, including technology transfer, local assembly, licensed production, and the gradual creation of Polish maintenance and manufacturing capacity around Korean systems. Poland's agreements with South Korean suppliers (Hyundai Rotem, Hanwha Aerospace and Korea Aerospace Industries) have therefore become a benchmark for how defense-industrial cooperation can serve both immediate military needs and long-term industrial goals.

The K239 Chunmoo deal is especially illustrative because it pairs operational urgency with local production commitments, including launcher manufacture in Poland and a joint venture with WB Group for missile production.⁷ The same pattern is visible in the tank and artillery programs, where the K2 and K9 families are being adapted for Polish production and support arrangements. For Warsaw, the value of cooperation with South Korea lies not

only in the systems themselves, but in the prospect of gaining access to production know-how, spare-part supply, and the industrial base needed to sustain high-intensity forces over time.

Though on a smaller scale, Romania follows a similar logic. Its 2024 K9 agreement includes industrial cooperation and local participation, and Hanwha has since begun building a production facility intended to support assembly, integration, testing, maintenance, and wider life-cycle support in Romania.⁸ Bucharest's objectives extend beyond buying equipment: it strives for technology transfer, local assembly, workforce development, and the integration of Romanian firms into broader supply chains. Other Central and Eastern European states share the same basic impulse, even if at a smaller scale. For them, South Korea is appealing not simply because it can supply capable weapons quickly, but because it often links procurement with industrial participation and future localization.

Northern Europe: Integration and High-End Technology

The Nordic countries represent a very different model of defense-industrial cooperation with South Korea. Finland, Norway, Sweden, and Denmark already have advanced procurement institutions, mature defense industries, and a strong emphasis on interoperability within NATO. As a result, they are not looking for industrial catch-up; instead, they assess Korean systems through the lens of long-term life cycle support, integrating into existing command

⁶ Paik, Wooyeal. "The Korean Defense Industry Enters the European Security Theater: An Analysis of Korea-Poland Arms Deals." Research Paper no. 140. Institut de Recherche Stratégique de l'École Militaire, February 22, 2024. https://www.irsem.fr/storage/file_manager_files/2025/03/nr-irsem-140-paik.pdf.

⁷ Jung, Min-kyung. "Hanwha Aerospace, WB Group Form Joint Venture to Produce Chunmoo Rockets in Poland." *The Korea*

Herald, September 3, 2025.

<https://www.koreaherald.com/article/10567483>.

⁸ Serban, Alex, and Yu Jihoon. "South Korea–Romania Industrial Cooperation." *RealClearWorld*, April 17, 2026. https://www.realclearworld.com/2026/04/17/south_korearomania_industrial_cooperation_1177338.html.

structures, high readiness rates, Arctic performance, and the ability to sustain operations across allied territory. In this context, Korean equipment is attractive not simply because it is competitively priced or quickly delivered, but because it has proven adaptable to Nordic operational requirements and can be embedded into broader logistical and maintenance frameworks.

The success of the K9 in Norway and Finland has been especially important because it has created a

basis for more systemic integration, with industrial collaboration gradually replacing one-off procurement as the main measure of success. The cooperation between Hanwha Aerospace and Norway illustrates this logic particularly well, as the acquisition of South Korean Multiple Launch

Rocket Systems, self-propelled howitzers, Ammunition Resupply Vehicles, and a Logistics Support Vessel led to a broader collaboration on future warfare technologies such as AI, unmanned systems, and missile-related capabilities. At the same time, the joint Nordic use of K9 systems has created practical incentives for interoperability and logistics coordination, including more flexible spare-parts transfers between Norway and Finland.⁹ Sweden's growing engagement with South Korean defense industrial firms points in the same direction.

Baltic States: Strategic Reliability

The Baltic states are small procurement markets, but their strategic importance makes them highly influential in shaping how South Korean firms assess Europe. Estonia, Latvia, and Lithuania prioritize deterrence, rapid reinforcement, and alliance credibility, meaning they judge suppliers by political reliability, delivery certainty, and the ability to sustain operations in a crisis. For South Korean firms, this creates a market in which credibility matters as much as capability: a supplier that can deliver quickly and support systems over time is far more attractive than

one offering marginally better specifications but weaker responsiveness.

Estonia illustrates the logic particularly well. Its earlier K9 purchases gave it a first-generation Korean artillery relationship, and its more recent move toward the K239 Chunmoo reflects a broader effort to acquire

deep-strike capabilities while diversifying suppliers on NATO's eastern flank. Tallinn has shown interest in industrial participation and local value creation, suggesting that smaller Baltic states too increasingly want procurement to reinforce domestic capacity rather than simply deliver finished equipment. Estonia signed a \$342 million contract to buy six Chunmoo multiple rocket launchers, with Hanwha declaring it will invest 20 percent of the total procurement value in Estonian industry.

Western European States

Western Europe presents the most demanding environment for South Korean defense firms because it combines large, technologically advanced

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⁹ Hill, John. "Norway and Finland Simplify Mutual Transfer of K9 Artillery Systems." *Army Technology*, December 8, 2023.

<https://www.army-technology.com/news/norway-and-finland-simplify-mutual-transfer-of-k9-artillery-systems/>.

defense industries with strong political expectations about sovereignty, local value creation, and industrial control.¹⁰ In Germany and France in particular, Korean suppliers cannot merely rely on price, speed, or battlefield performance alone. They must show that they can contribute to Europe's own industrial revitalization by embedding production, sharing technology, and supporting long-term co-development. This is especially important in a region where procurement choices are increasingly shaped by the desire to strengthen European supply chains, preserve critical know-how, and reduce dependence on non-European suppliers.

The clearest indication of this shift is that Korean firms are increasingly entering the market through partnerships with major European primes. Hanwha's cooperation with France's Thales on integrating Chunmoo missiles into the X-Fire launcher shows how Korean capabilities can be inserted into a European launch architecture designed for both domestic use and export.¹¹ Likewise, LIG Defense & Aerospace's collaboration with German defense giant Rheinmetall reflects a broader attempt to link Korean missile technology with European air-defense ecosystems, combining South Korean medium- and long-range systems with German short-range capabilities in a layered

architecture for the European market.¹² These are clearly efforts designed to align Korean technology with European industrial and operational priorities.

Against this background, Hanwha Aerospace is planning substantial investments in Germany by establishing production facilities and partnerships with the German security and defense industry and regional suppliers.¹³ Korea Aerospace Industries has deepened cooperation with Germany's Diehl Defense to integrate Diehl's IRIS-T short-range air-to-air missile onto KAI's KF-21 Boramae and FA-50/T-50 aircraft.¹⁴ In Western Europe, too, the most successful Korean partnerships in the region are likely to be those that offer local production, joint development, and a credible role for European firms in integration, maintenance, and future upgrades.

Southern European States

Compared to the ties Korea has built in Poland or parts of Northern Europe, Southern Europe's defense-industrial relations with South Korea are not yet as advanced or institutionalized, but they are becoming increasingly important. Spain is currently the clearest Southern European case. In March 2026, Indra and Hanwha Aerospace signed an agreement to jointly develop self-propelled artillery systems for

¹⁰ Ballbach, Eric. "The K(orea)-Factor in the Zeitenwende: South Korea and the Rebuilding of Germany's Defence Industrial Base." SWP Comment 2026/C 04. Berlin: Stiftung Wissenschaft und Politik (SWP), January 28, 2026. <https://www.swp-berlin.org/publikation/the-korea-factor-in-the-zeitenwende>.

¹¹ Heining, Gerhard. "Thales und Hanwha kooperieren bei weitreichender Präzisionsartillerie [Thales and Hanwha Partner on Long-Range Precision Artillery]." *Europäische Sicherheit & Technik*, June 19, 2026. <https://esut.de/2026/06/meldungen/71980/thales-und-hanwha-kooperieren-bei-weitreichender-praezisionsartillerie/>.

¹² Kim, Yoon-gu. "LIG D&A, 독일 라인메탈과 합작회사 추진 ... 유럽시장 공략 [LIG D&A, Pursuing a Joint Venture with Germany's Rheinmetall... Targeting the European

Market]." *Yonhap News Agency*, June 16, 2026. <https://www.yna.co.kr/view/AKR20260616053000003>.

¹³ Stenglin, Wilhelmine, and Robert Wallenhauer. "Rüstungsindustrie: Wie der südkoreanische Defense-Riese Hanwha sich in Europa etablieren will [Defense Industry: How South Korean Defense Giant Hanwha Plans to Establish Itself in Europe]." *Table.Briefings*, May 17, 2026. <https://table.media/security/analyse/ruestungsindustrie-wie-der-suedkoreanische-defense-riesen-hanwha-sich-in-europa-etablieren-will>.

¹⁴ Chang Dong-woo. "KAI partners with German arms maker over weapons capabilities of S. Korean jets." *Yonhap News Agency*, February 19, 2024. <https://en.yna.co.kr/view/AEN20240219004700320>.

the Spanish Armed Forces based on the K9 platform.¹⁵ The deal thus also goes well beyond mere procurement: it is designed to involve Spanish industry in hull manufacturing, mission-system integration, and domestic production capacity, aligning rearmament with industrial policy as well as operational modernization. This is significant because it shows that even in European markets that have not yet been penetrated, South Korean companies aim at gaining a foothold through joint development rather than direct exports.

CONCLUSION

ROK-Europe defense industrial relations are currently entering a new phase. While the first wave of cooperation was propelled by Europe's urgent need to replenish depleted stocks after 2022, Europe's defense-industrial priorities shifted toward expanding production capacity, strengthening supply-chain resilience, promoting joint procurement, and achieving long-term defense industrial readiness through sustained public investment and strategic industrial partnerships. This shift does not reduce the attractiveness and importance of Korea's defense industry for Europe. Rather, they redefine the terms under which cooperation is expected to succeed. For Korea, this more sovereignty-driven environment is thus both a constraint and an opening. While purely export-based relations will be more complicated, new pathways are created for South Korean firms to position themselves as embedded partners through co-production, joint ventures, local investment, and long-term sustainment.

For South Korea, this means to both remain a competitive supplier while transitioning into a trusted, long-term contributor to Europe's defense industrial resilience

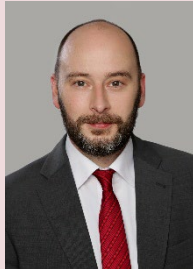
As European industrial policy is becoming more protective, with EU funding and procurement frameworks increasingly favoring intra-European production and partnerships, European governments are placing greater emphasis on reciprocity, expecting joint development, shared production, and selective technology collaboration rather than one-directional transfers. As Korean firms are seen simultaneously as indispensable partners and direct competitors, a deeper industrial integration becomes a strategic necessity—especially as Brussels plays a greater role in European defense and evolving EU instruments such as SAFE reinforce a model that privileges European value creation while maintaining conditional openness to third-country participation. For South Korea, a deeper industrial integration means to both remain a competitive supplier while transitioning into a trusted, long-term contributor to Europe's defense industrial resilience. Successfully aligning commercial strategies with Europe's evolving regulatory and political priorities will determine whether this partnership matures into a durable pillar of European security and Korea's global defense competitiveness.

¹⁵ Kim, Ji-hwan. "한화, 스페인 기업과 신형 K9 자주포 공동 개발 ... 수주전 '막판 스퍼트' [Hanwha Jointly Develops New K9 Self-Propelled Howitzer with Spanish Company, Final Push for

Contract]." *Chosun Biz*. March 26, 2026.

<https://biz.chosun.com/industry/company/2026/03/26/JL4TVYYQBCRVFP7ALSOYRG454/>.

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