

CANADIAN GLOBAL AFFAIRS INSTITUTE
INSTITUT CANADIEN DES AFFAIRES MONDIALES

Expanding South Korea-Canada Defence Cooperation: Perspectives from DAPA

by Julie Kim

August 2024

REPORT

EXPANDING SOUTH KOREA – CANADA DEFENCE COOPERATION: PERSPECTIVES FROM DAPA

by Julie Kim, PhD
Korea Post-Doctoral Fellow

August 2024

CANADIAN GLOBAL AFFAIRS INSTITUTE
INSTITUT CANADIEN DES AFFAIRES MONDIALES

Prepared for the Canadian Global Affairs Institute
Suite 2720, 700 – 9th Avenue SW., Calgary, AB T3P 3V4
www.cgai.ca

©2023 Canadian Global Affairs Institute

This report is a summary of an interview with Minister of Defense Acquisition Program Administration (DAPA) Jong Gun Seok that took place on June 24, 2024, at the Embassy of the Republic of Korea in Ottawa.

DAPA (Defense Acquisition Program Administration) was established in January 2006 as the first government organization in the Republic of Korea specializing in defence acquisition. The purpose of founding DAPA was to integrate roles once dispersed across eight different institutions and centralize them in one organization, thereby improving efficiency and transparency in acquiring advanced military capabilities.

In June 2024, delegation from DAPA led by Minister Jong Gun Seok visited Ottawa and signed the Defense Industry and Procurement Cooperation Memorandum of Understanding (MOU) with the Canadian Commercial Corporation (CCC) to strengthen bilateral defence industry cooperation. It includes sharing know-how on government to government (G2G) procurement, creating networking opportunities for defence companies, meeting Industrial and Technological Benefits (ITB) obligations, and exploring opportunities to enter third export markets through joint ventures.

Korean Defence Industry's Rapid Growth

South Korea is situated in a geopolitical landscape that requires significant effort to adapt to potential threats while managing a challenging geography. The Korean Peninsula is surrounded by sea on three sides and over 70% of its land consists of harsh, mountainous terrain. Additionally, the Korean Peninsula shares borders with China and Russia, and South Korea faces threats from North Korea. Therefore, the Republic of Korea Armed Forces must always train as if in a real war situation to identify areas that need performance and quality improvements. Against this backdrop, South Korea has invested in enhancing its weapons systems and capabilities to respond to threats and has conducted performance improvements and training to maximize combat efficiency.

Recently, South Korea's defence industry has seen a rapid growth. It has stable production capability that ensures on-time delivery to the receiving country, a high level of post-production support, and global competitiveness due to technological prowess and cost-effectiveness. Additionally, the government is dedicated to building trust with partner countries and facilitating processes by developing various policies that strengthen the competitiveness of the Korean defence industry, marching as one and working collaboratively. Furthermore, in terms of exports, Korea does not limit itself to simply selling systems, but also places a high emphasis on industrial cooperation, such as product localization, maintenance, and technology transfer. By doing this, Korea aims to build and maintain strategic security partnerships and achieve win-win relations with receiving countries.

Expanding Korea – Canada Defence Cooperation

In September 2022, to commemorate the 60th anniversary of their diplomatic relationship, South Korea and Canada elevated their relationship to a Comprehensive Strategic Partnership. Since then, there have been more active discussions between the two countries to further strengthen defence cooperation. DAPA amended the MOU on arms industry and logistics cooperation with Canada in December 2022, signed a new 10-year MOU on defence research and development cooperation in January 2023, and held annual Joint Committee Meetings on Materiel Cooperation in May 2023 and January 2024.

There are various areas where Korea and Canada can expand their defence cooperation. One area where the interests of both countries align is the Canadian Patrol Submarine Project (CPSP). Canada released a new Defence Policy Update in April 2024, *Our North, Strong and Free*, which includes modernizing its submarines. In July 2024, the Canadian government announced that it has begun the process of procuring up to 12 conventionally-powered, under-ice capable submarines. A Request for Information (RFI) will seek to gain information on the procurement, construction, delivery, and operational capabilities of potential bidders, as well as the establishment of a submarine sustainment capability in Canada. The Korean shipbuilding industry has advanced technology, experience in design and shipbuilding, and know-how in both commercial and military ships. In addition, Korea can support Canada in strengthening its industrial base by establishing relevant infrastructure in Canada so that the maintenance on submarines can be conducted at all stages of operation in a timely manner.

Another area where South Korea has a keen interest in is Canada's artillery modernization project. South Korea has outstanding weapons systems, such as the K9 Self Propelled Howitzer and the Multiple Launch Rocket System (MLRS) Chunmoo, which boast high levels of accuracy, precision, and maneuverability. South Korea has been exporting these systems to many countries around the world and wishes to expand its market to Canada.

A Pathway for a Durable Relationship

Canada is turning to its allies to develop strategic security partnerships. At the 2024 North Atlantic Treaty Organization (NATO) Summit in Washington, D.C., Canada, Finland, and the United States formed an enhanced trilateral partnership called the Icebreaker Collaboration Effort (ICE Pact). The ICE Pact will further strengthen icebreaker ship production capacity in Canada and ensure peace and prosperity in the Arctic and polar regions. Canada also signed a trilateral Letter of Intent with Germany and Norway to establish a strategic partnership aimed at strengthening maritime security cooperation in the North Atlantic.

Canada emphasizes creating durable relationships with partners that include personnel training, information sharing, and cooperation with local industry. In this regard, the Korean government views technology transfer and local production as integral parts of its defence industry exports and seeks to build a long-term security cooperation partnership with Canada. Therefore, the

Korean government has been conducting consultations with the Korean defence industry, proposing industry cooperation measures that include an adequate level of localization. Additionally, the government has been coordinating with relevant ministries and agencies to develop effective measures and policies for "Consumer-specific Industrial Cooperation."

Mindful of Canada's ITB policy, DAPA is communicating with Innovation, Science and Economic Development Canada (ISED), which directly conducts ITB reviews, to identify priorities in Canada's defence industry. DAPA will also increase cooperation with the CCC to discover potential areas where the defence companies of both countries can work together.

About the Author

Julie Kim *is a Post-Doctoral Fellow leading the Korea Program at the Canadian Global Affairs Institute (CGAI) and a Country Expert on North Korea for the Bertelsmann Transformation Index (BTI). She received a PhD in Political Science from Heidelberg University as a German Academic Exchange Service (DAAD) scholar. Her dissertation explores the social control system and autocratic regime stability in North Korea. She has a Master of Arts in North Korean Studies and a Bachelor of Arts in German Language and Literature from Ewha Woman's University.*

Julie has previously worked as a Research Intern at the Stockholm International Peace Research Institute (SIPRI) and a Global Asia Fellow at the East Asia Foundation. She has published various articles and a book chapter, including in the Journal of East Asian Studies, BTI Country Report – North Korea, and Global Asia. Her research interests include authoritarian regimes, geopolitics with a regional focus on the Korean Peninsula, and Canada-Korea defence cooperation.

Canadian Global Affairs Institute

The Canadian Global Affairs Institute focuses on the entire range of Canada's international relations in all its forms including (in partnership with the University of Calgary's School of Public Policy), trade investment and international capacity building. Successor to the Canadian Defence and Foreign Affairs Institute (CDFAI, which was established in 2001), the Institute works to inform Canadians about the importance of having a respected and influential voice in those parts of the globe where Canada has significant interests due to trade and investment, origins of Canada's population, geographic security (and especially security of North America in conjunction with the United States), social development, or the peace and freedom of allied nations. The Institute aims to demonstrate to Canadians the importance of comprehensive foreign, defence and trade policies which both express our values and represent our interests.

The Institute was created to bridge the gap between what Canadians need to know about Canadian international activities and what they do know. Historically Canadians have tended to look abroad out of a search for markets because Canada depends heavily on foreign trade. In the modern post-Cold War world, however, global security and stability have become the bedrocks of global commerce and the free movement of people, goods and ideas across international boundaries. Canada has striven to open the world since the 1930s and was a driving factor behind the adoption of the main structures which underpin globalization such as the International Monetary Fund, the World Bank, the World Trade Organization and emerging free trade networks connecting dozens of international economies. The Canadian Global Affairs Institute recognizes Canada's contribution to a globalized world and aims to inform Canadians about Canada's role in that process and the connection between globalization and security.

In all its activities the Institute is a charitable, non-partisan, non-advocacy organization that provides a platform for a variety of viewpoints. It is supported financially by the contributions of individuals, foundations, and corporations. Conclusions or opinions expressed in Institute publications and programs are those of the author(s) and do not necessarily reflect the views of Institute staff, fellows, directors, advisors or any individuals or organizations that provide financial support to, or collaborate with, the Institute.