

US Forces Korea
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Cost Sharing Negotiations Conclude

Yongsan, Seoul, Republic of Korea – The Republic of Korea and the United States have concluded talks on a new Special Measures Agreement regarding ROK cost sharing support for United States Forces Korea for 2007-2008. The SMA, first agreed to in 1992, establishes the sharing of non-personnel stationing costs associated with the maintenance and transformation of U.S. forces in the ROK.

In the talks just concluded, the ROK decision was to provide 725.5 Billion Won in 2007 and to increase its level in 2008 by the rise in the Consumer Price Index. All SMA funds are expended in South Korea and flow directly into the ROK economy and citizenry through payments for host nation civilian employee salaries, local logistics procurements, and construction performed by ROK construction companies.

The 2007 level will meet less than 41% of USFK non-personnel stationing costs, and represents less than 15% of total annual U.S. expenditures required to maintain American forces in South Korea.

USFK Commander, General B. B. Bell, expressed his concern over the ability of USFK to maintain its warfighting readiness, while simultaneously pursuing U.S. force transformation objectives and Alliance obligations during the upcoming year 2007. He points out that the 2007 funding level does not meet the expectations of the United States on equitable burden sharing, nor U.S. Forces Korea requirements. General Bell notes his concern that U.S. Forces Korea will face serious funding shortfalls in 2007.

USFK will analyze the situation and resulting impacts, and make appropriate recommendations to the U.S. Government regarding necessary actions to adjust to this funding shortfall, while maintaining its unwavering commitment to the Alliance and the defense of Korea.