

Taiwan bolsters defence spending

President Lai Ching-te has announced a \$40 billion supplementary budget for arms purchases, as the U.S. pressures Taiwan to increase its defence spending



Lai (left) has already pledged to raise defence spending to **5% of GDP by 2030** as part of his strategy amid China's threats of invasion



2026
Spending to reach 3.3% of GDP

31.2

\$40 billion supplementary budget will be allocated over eight years, from **2026-2033**, and cover items such as missiles and drones, as well as new “**T-Dome**” air defence system

TAIWAN MILITARY EXPENDITURE (US\$)

■ Proposed figure

2016: Threats from China intensify

2024: Lai Ching-te elected President

20.2

