



*JPNN/Lalit K Jha /Washington / May 10, 2015/China has significantly increased its defence budget which is now more than three times that of India, the Pentagon has said.China's official defence budget last year was USD 136.3 billion while that of India was USD 38.2 billion, the Pentagon said in its annual report to the Congress based on its assessment of military and security developments involving the Communist giant.China has significantly increased its defence budget over the past several decades and now has reached a position to pose threat to the American national security interest in the region, the report said.Having established a modern defence industry, China is exporting arms to Pakistan, which is its top importer."Pakistan remains China's primary customer for conventional weapons," the Pentagon*

*said.Russia's national defence budget the same year was USD 76.3 billion and that of Japan was USD 47.6 billion, whereas South Korea's annual defence budget last year was USD 33.4 billion and Taiwan's was USD 10.3 billion, it said.From 2009 to 2013, China signed about USD 14 billion in arms export agreements for conventional weapons systems worldwide, ranging from general purpose materiel to major weapons systems.China engages in both arms sales and defence industrial cooperation with Islamabad, including F-22P frigates with helicopters, K-8 jet trainers, F-7 fighter aircraft, early warning and control aircraft, main battle tank production, air-to-air missiles, and anti-ship cruise missiles, it said."In June 2014, Pakistan started co-producing the first two of fifty Block 2 JF-17s, which is an upgraded version of the Block I JF-17," it said.In 2014 and the coming years, China's arms exports will likely to increase modestly as China's domestic defence industry improves. Chinese defence firms are marketing and selling arms throughout the world with the bulk of their sales to the Asia-Pacific and Sub-Saharan African regions.*

*China is the largest supplier of arms to the Sub-Saharan Africa region, which was China's second highest sales region between 2009-2013 with about USD 4 billion in sales, it said.Sub-Saharan African countries view China as a provider of low-cost weapons with generally fewer end-use monitoring conditions relative to other arms suppliers.China tends to be*

*relatively flexible with regard to payment arrangements. China's top customers in this region are South Sudan, Sudan and Ethiopia, it added. Agency*