

Defence 'Builds Back Better' with bold new Defence and Security Industrial Strategy

Announced by the Prime Minister in the Integrated Review, the multi-billion pound R&D investment will bolster the UK's place at the leading edge of science and technology, driving prosperity and generating thousands of highly skilled jobs across the country.

The Defence Command Paper published yesterday following the Integrated Review signals a pivot towards the technologies and industrial capability needed to deliver the integrated operating concept, digital backbone of our Armed Forces, cyber and space capabilities, novel weapons, and artificial intelligence which will all be underpinned by new testing and evaluation investment.

The Government's ability to capitalise on these areas of investment will be supercharged by DSIS, which will modernise and streamline regulations to drive innovation and improvements in productivity and efficiency ensuring the UK expands its competitive, pioneering and world-class defence and security industries.

This initiative is essential if we are to succeed in our global role defined in the Integrated Review. This role requires our Armed Forces to deter and defeat the military threats of the future whilst remaining agile and adaptable to the rapidly changing face of warfare, conflict environments and global engagement.

Announcing the new strategy in the House of Commons, Defence Minister Jeremy Quin said:

DSIS signals a step change in our approach to the Defence and Security industrial sectors.

It will help retain onshore, critical industries for our national security and our future. It will help us develop advanced skills and capabilities. It will help us realise the Prime Minister's vision of the UK as a science superpower. And with Defence Procurement benefitting every part of our Union it will help galvanise our levelling up agenda.

Building on the outcomes of the Integrated Review and Command Paper, the new strategy provides the framework for industry to achieve those ambitions. The strategy includes:

- Increased transparency on our longer-term security priorities
- Earlier engagement with industry on potential solutions to capability requirements
- Reducing barriers to Small and Medium Enterprises
- The development of new government-to-government commercial mechanisms to sell our great defence and security exports to friends and allies
- Enhanced programme collaboration with NATO nations
- More openness and joint working to provide firms with the confidence to invest in developing new technology, products and services
- Greater efforts to promote innovation through initiatives like the Defence and Security Accelerator

In a move away from the policy of 'global competition by default', we will adopt a more strategic and nuanced approach in designing capabilities and acquisition strategies to ensure homegrown skills, enterprise and intellectual talents are fully harnessed. This will ensure investments in Defence benefit engineers, designers, factory workers, scientists and everyone else across the UK who contributes their critical skills to the defence and security of the UK.

This shift will allow us to decide the best acquisition and procurement of a military capability based on the technology required, our national security requirements and the prosperity benefits to the UK.

Paul Everitt, ADS Chief Executive said:

Industry has worked closely with Government to develop this strategy which lays the foundation for a defence and security industry that will have the confidence to invest in advanced capabilities needed by the UK Armed Forces and security services. Industry looks forward to working in partnership with Government on this new way forward.

The greater flexibility provided by DSIS will enable the UK to develop and acquire innovative capabilities faster and more efficiently than ever before, while supporting skills and economic growth across the UK.

The benefits of this approach have already been demonstrated by the Tempest programme to develop a world-leading new combat air system. The project has

involved a sophisticated partnership with companies and strategic investment to develop technologies and advanced manufacturing ensuring the industry, and therefore our future force, remain world-class. The UK has a world-renowned combat air sector, which generates over £6bn a year and employs over 46,000 people, and this approach treats that as a strategic capability in its own right.

Andrew Cowdery, Industry Co-Chair of the Defence Growth Partnership said:

The publication of the Defence and Security Industrial strategy outlines how industry can play our part in the security, growth and prosperity of the UK defence sector. The closer collaboration between Government and Industry will maximise opportunities for the global defence market to partner with international customers to deliver both innovative and competitive defence capability to our Armed Forces and the international market.

Following the additional £24 billion being invested in defence over the next four years, and the MOD's commitment to spend over £85 billion on equipment and support over the four years, this new strategy offers a real opportunity for UK industry to support thousands of high-quality jobs as we build back better from Covid-19 pandemic.