



HM Government

National Security Strategy and Strategic Defence and Security Review 2015

First Annual Report 2016

December 2016

© Crown copyright 2016
Produced by Cabinet Office

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit <http://www.nationalarchives.gov.uk/doc/open-government-licence/> or email: psi@nationalarchives.gsi.gov.uk

Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned.

Alternative format versions of this report are available on request, from publiccorrespondence@cabinetoffice.gov.uk

Any enquiries regarding this publication should be sent to us at publiccorrespondence@cabinetoffice.gov.uk

Foreword by the Prime Minister, The Rt Hon Theresa May MP



Much has changed since the National Security Strategy and Strategic Defence and Security Review (SDSR) was published in November of last year – not least the United Kingdom’s historic decision to leave the European Union. But the principal threats to our national security remain the same. We are witnessing the resurgence of state-based threats – as displayed most obviously by Russia’s actions in Syria and Ukraine; terrorism and extremism threaten our security; cyber attacks are on the increase from both state and non-state actors, and we face renewed challenges to the rules-based international order that provides the bedrock of our security. Some of the great global challenges of our time, such as the phenomenon of mass migration, have become more pronounced in the last twelve months.

Against this backdrop, at the end of 2016, the world can appear more uncertain and challenging than it has for many years.

Yet we should be confident of the United Kingdom’s ability to rise to this challenge, as we have so often in the past.

In part, that confidence stems from the relevance and strength of our National Security Strategy, with its three objectives: protecting our people, projecting our influence, and promoting our prosperity. These remain the pillars of our national security, providing the certainty and stability we need as the world changes around us.

And over the past year, we have made good progress in each area. We have agreed the renewal of the UK’s independent nuclear deterrent, an essential component of our security; launched the new National Cyber Security Centre to lead our response to the increasing threat from cyberspace; invested in and expanded our diplomatic and defence engagement networks; and established a new cross-Government Prosperity Fund to deepen relationships with and support sustainable development in countries across the world.

This first Annual Report on the SDSR sets out our progress in delivering on our commitments and shows how the strategy is already helping the United Kingdom face up to the threats and challenges posed by a changing world.

Just as the SDSR itself should give us confidence, so too should our great strengths as a nation.

We remain the fifth biggest economy in the world and enjoy friendships, partnerships and alliances on every continent. We have the finest intelligence agencies of any country and a military that can project its power around the globe in a way that very few others can. We have more Nobel Laureates than any country outside the United States, three of the top ten universities in the world, the world’s leading international financial capital, and some of the strongest and most effective soft power in the world.

It is these strengths that we will build on as we leave the European Union. As well as a dependable partner to our European neighbours we will continue to be a leader in defence, security and trade on the international stage.

It is Britain that is in the vanguard of the fight against global terrorism, working across borders to disrupt the networks terrorists use to finance their operations and recruit to their ranks - and which just two months ago helped to secure the first ever UN Security Council Resolution on aviation security.

It is Britain that is the only country in the G20 to meet both the expenditure targets of 2% of GDP on defence and 0.7% of gross national income on overseas development, driving forward the implementation of the Sustainable Development Goals to eradicate absolute poverty by the end of the next decade.

It is Britain that is a leading member of the coalition supporting Iraq to defeat the scourge of Daesh; that has agreed to send 800 troops to Estonia as part of NATO's presence in eastern Europe; that is supporting Nigeria in the fight against Boko Haram; and that is reinforcing its commitment to peacekeeping forces in South Sudan, Somalia and Kosovo.

And it is Britain that is leading the way in pioneering international efforts to crack down on modern slavery wherever it is found.

Time and again, it is British leadership – British hard and soft power – that is at the forefront of the world's response to the greatest challenges of our time. Now, as we leave the European Union, we will be more prominent than ever: an outward-facing, global partner at the heart of international efforts to secure peace and prosperity for all our people. That is the role Britain has always played in the world. I am determined that that is how it shall remain.

Finally, it is worth remembering that all of this strength is based on our people. Our Armed Forces, police and security and intelligence agencies continue to make great sacrifices to help keep us safe, and protect our values and prosperity. As we look back on 2016 we should pay tribute to their service.

A handwritten signature in black ink, appearing to be 'A. R. J.', written in a cursive style.

Section 1: Change and Continuity in the National Security Context

1.1 On 23 November 2015 we published the *National Security Strategy and Strategic Defence and Security Review 2015* (SDSR 2015), which set out the United Kingdom's National Security Strategy for the next five years, and how we intended to implement it. This first annual report on the implementation of our strategy demonstrates the progress that we have made in delivering our key commitments, and explains how we are responding to major developments with national security implications, including the UK referendum vote to leave the European Union.

Vision, values and approach

1.2 SDSR 2015 set out our vision of a secure and prosperous United Kingdom with global reach and influence. Our whole-of-government approach to national security recognises that economic security and national security are inextricably linked, and that strength in one reinforces our strength in the other. We identified the values and approach we would rely on to deliver our strategy, and set out three overarching National Security Objectives: Protect Our People; Project Our Global Influence; and Promote Our Prosperity. In support of each of these objectives, we committed to specific actions and changes, on which we have instigated a cross-government programme of activity, overseen by a sub-Committee of the National Security Council (NSC).

Reporting on SDSR commitments

1.3 As in SDSR 2015, we have structured this annual report with sections setting out our progress on each of the three overarching National Security Objectives, and on implementation and reform. In the annex, we have listed the 89 principal commitments we made in the SDSR, indicating which have been completed.

1.4 The commitments in SDSR 2015 set out the key policy and capability developments required as a consequence of our National Security Strategy. The commitments vary in scale and in the time needed for them to be implemented. Some, such as establishing the Armed Forces' Joint Force 2025, will take a decade, while others, such as the Parliamentary vote on the nuclear deterrent, have already been delivered.

Change and continuity in the national security context

1.5 In SDSR 2015, we set out our response to the 2015 National Security Risk Assessment (NSRA), which concluded that the threats faced by the UK, including our Overseas Territories and our overseas interests, had increased in scale, diversity and complexity since 2010. The world is changing rapidly and fundamentally, with long-term shifts in the balance of global economic and military power. SDSR 2015 ensured that the UK has the versatility and the means to respond to risks and threats to our security, including unexpected developments. Drawing from the 2015 NSRA, SDSR 2015 identified four particular challenges that would drive UK security priorities for a decade. The last year has shown that these remain at least as important now as they were when SDSR 2015 was published.

1.6 **The increasing threat posed by terrorism, extremism and instability.** These remain major threats to the UK's national security. Daesh (also known as ISIL), its affiliates and individuals inspired by Daesh, constitute the most significant terrorist threat. As noted on publication of the CONTEST Annual Report, there were almost 60 attacks worldwide in 2015 – from Paris to Sydney – as well as over 200 attacks carried out by Daesh branches. Although none has occurred so far in the UK itself, this owes much to the successful work of our intelligence and law enforcement agencies in disrupting planned attacks. Al

Qa'ida in Afghanistan and Pakistan and affiliate groups elsewhere continue to pose a threat to Western interests.

1.7 The resurgence of state-based threats; and intensifying wider state competition is currently demonstrated most clearly in the actions of Russia in Syria and Ukraine. Russia continues to invest considerable sums in new military capability. Foreign intelligence agencies continue to engage in hostile activity against the UK and its interests. More generally, competition between states in the Middle East, South Asia and East Asia brings ongoing risks of miscalculation and conflict.

1.8 The impact of technology, especially cyber threats; and wider technological developments. The range of cyber threats and cyber actors threatening the UK has grown significantly – both from state and non-state actors. The UK increasingly relies on networked technology in all areas of society, business and government. This means that we could be vulnerable to attacks on parts of networks that are essential for the day-to-day running of the country and the economy.

1.9 The erosion of the rules-based international order, making it harder to build consensus and tackle global threats. Challenges to the international order remain a serious threat. Some powerful states and non-state actors continue to ignore international norms that they believe run contrary to their interests. We have seen that, for example, with Russia's illegal annexation of Crimea, Assad's use of chemical weapons, and North Korea's continued nuclear tests. More generally, we have seen growing concerns about globalisation; and pushback from other countries at the United Nations (UN) against the International Criminal Court, and against concepts such as the responsibility to protect, human rights norms, the rights of women and lesbian, gay, bisexual and transgender people.

1.10 SDSR 2015 identified further risks, which have also presented challenges to the UK since it was published. The **flooding** across many parts of the UK in the winter of 2015/16 affected more than 17,000 properties, and the loss of bridges and infrastructure caused significant damage. The National Flood Resilience Review published in September 2016 identified a range of steps to further improve the UK's resilience in this area. Outbreaks of **Zika virus** in the Americas and Asia and of **Yellow Fever** in Africa have highlighted the challenges that can be posed internationally, and to UK interests, by **global health risks**. A range of international **natural disasters** (e.g. Hurricane Matthew, earthquakes in Ecuador and Italy) have again highlighted the very significant impacts such events can have on human life and the economy.

Global Britain

1.11 The Prime Minister set out, in her speech to the United Nations in September 2016, the UK's continuing commitment to global security. The United Kingdom remains a confident, strong and dependable partner internationally, playing a positive global leadership role to build wider security, stability, and prosperity. The UK is the world's fifth largest economy; in 2015 the UK was the second-fastest growing economy in the G7 group of the world's major developed economies, and the IMF predicts it will be the fastest growing G7 economy in 2016; the UK is ranked 7th in the world – and first in the G7 – as a place to do business. We maintain significant global influence through our economic, academic and scientific strengths, and unique soft power through British global leadership in the creative industries, sports and organisations such as the BBC World Service.

1.12 The UK is a permanent member of the UN Security Council, NATO, the G7, the G20 and the Commonwealth, and a leading supporter of the international rules-based system. British forces are currently deployed in 69 countries in diverse roles from training tens of thousands of Iraqis and Kurds to act against Daesh to working with Nigeria to tackle Boko Haram. Since SDSR 2015 was published we have:

- Reaffirmed our commitment to continue spending 2% of GDP on defence and 0.7% of gross national income on overseas development – the only G20 country to do both. The UK is the largest military power in Europe and the second largest international bilateral aid donor;
- Commenced the build of the first Dreadnought class submarine following the debate and vote in Parliament to maintain our independent nuclear deterrent. This £31 billion programme provides a cornerstone to NATO's collective defence policy that will endure until the 2060s and reiterates our commitment to Euro-Atlantic security;
- Increased the number of troops helping to train Iraqi forces in Iraq, and increased our humanitarian assistance package to Iraq; and committed to an increased military contribution to NATO in Afghanistan and Eastern Europe;
- Hosted a high level UN peace-keeping conference; and re-committed to doubling the number of UK troops on UN peace-keeping missions;
- Launched initiatives at the UN on combatting modern slavery and securing accountability for Daesh crimes;
- Secured the first ever UN Security Council resolution on aviation security;
- Helped remove 500 tonnes of chemical weapons precursors safely from Libya;
- Supported greater security in Somalia through a UK-hosted ministerial security event; a UNSC statement; an extra £7.2m of funding for security sector reform; additional UK troops to support the UN Assistance Mission in Somalia; and a new £30m four-year package of security and justice assistance to help re-establish basic policing and judicial services in key towns; and
- Extended our role as a global leader, and convenor, on Preventing Sexual Violence in Conflict (PSVI) and Women, Peace and Security (WPS).

Leaving the European Union

1.13 On 23 June 2016, the British public voted in a referendum to leave the European Union (EU). The Prime Minister has announced that she will invoke Article 50 of the European Treaty before the end of March 2017, initiating the procedure for the UK to end our membership of the EU. The decision to leave the EU carries significant implications for the UK in many areas of political and economic engagement.

1.14 In the national security context, however, the threats and challenges to UK national security have not fundamentally changed as a result of the decision to leave the EU. Only one of SDSR 2015's 89 principal commitments will be directly affected when the UK leaves the EU (Championing the EU/India Free Trade Agreement). We will continue work to deliver this commitment while the UK remains a member of the EU.

1.15 The UK remains fully and strongly committed to Europe's defence and security. Our ongoing commitments to Common Security and Defence Policy (CSDP) operations and missions are a clear demonstration of this. The North Atlantic Treaty Organisation (NATO) will remain the cornerstone of European defence. The transatlantic alliance has kept Europe safe for over 60 years, and continues to do so. But NATO and EU activity can, and should, be complementary and mutually reinforcing.

1.16 The UK will remain one of the principal security and defence actors in Europe and the world. We will continue to play an active role in security and defence cooperation across Europe. For example, since the vote to leave the EU, we have:

- Agreed to deploy a battalion to Estonia and an infantry company to Poland, boosting NATO's enhanced forward presence, as well as RAF Typhoon aircraft to Romania and around 30 troops to the UN-mandated NATO force in Kosovo in 2017;
- Renewed our participation in naval operations to tackle illegal immigration in the Mediterranean, with HMS Mersey taking over from RFA Cardigan Bay under NATO command, and HMS Echo replacing HMS Enterprise on Operation Sophia; and
- Reconfirmed that Britain will lead the NATO Very High Readiness Joint Task Force (Land) in 2017, providing 3,000 troops.

1.17 EU tools and measures, which enable information sharing and facilitate practical cooperation between law enforcement and security agencies, play an important role as enablers for tackling serious crime, securing borders and combating terrorism. We will need to reach agreement on a range of issues such as these in the negotiations. We shall also need to make decisions on the extent of future UK involvement in EU Foreign, Security and Defence missions, as well as our approach to coordinating with European partners on economic sanctions.

1.18 It will be in our interests, but also in the interests of the remaining 27 EU members, to tackle all these issues in a way that strengthens our respective and collective security. The EU and its member states will remain important and valued partners. Indeed, in the face of the current threat posed to the West, we are currently intensifying cooperation with European partners outside of EU structures in areas such as counter-terrorism. As the Prime Minister has made clear, we are leaving the EU, but not turning our backs on Europe.

1.19 We will ensure that we have the versatility and means to respond to new risks and threats to our security, as well as opportunities, as they arise. We will set out in our annual reports to Parliament where we judge that a significant change of approach in implementing the SDSR is needed because of the UK's decision to leave the EU, or as a result of other significant changes to our national security environment.

Other major developments in 2015 - 2016

1.20 SDSR 2015 identified **mass irregular migration** among the global challenges which the UK faces along with its allies and partners. The scale of the problem has continued to increase in 2015-16, particularly in Europe. Across the world, there are now 65 million people who have been forcibly displaced. The UK remains the second largest bilateral provider of humanitarian assistance to refugees. The London Syria Conference in February 2016 raised \$12 billion in pledges, the largest amount raised in a single day for a humanitarian crisis. But we will continue to do more, working with the UN, NATO, the EU and our allies, including EU member states.

1.21 As the Prime Minister set out at the UN in September 2016, while we continue to work to alleviate the difficulties faced by refugees, we must also tackle the unprecedented levels of unmanaged migration by those seeking greater economic opportunities. There is nothing wrong with the desire to migrate for a better life. Controlled, legal, safe, economic migration brings benefits to migrants and host communities. But countries must be able to control their borders. Failure to do so erodes public confidence, fuels international crime, damages economies and reduces the resources for genuine refugees.

1.22 The shameful practices of **human trafficking and modern slavery**, exploiting many thousands of victims, must be tackled through coordinated international efforts. SDSR 2015 committed us to ensuring that the UK has the capabilities to disrupt and dismantle criminal networks. We have now established the UK's own government taskforce for modern slavery, bringing together cross-governmental expertise to help drive efforts to tackle this cruel exploitation.

1.23 In July 2016, Sir John Chilcot published the report of the independent **Iraq Inquiry**, which reviewed the UK's involvement in the 2003 invasion of Iraq and post-conflict effort until 2009. Many of the lessons had been anticipated and have already been incorporated into existing practice. The establishment in 2010 of the National Security Council, and the regular SDSR process itself, have helped to improve coordination and decision-making. In the field of conflict and stabilisation, we have brought further coherence to our approach through the UK Aid Strategy, and expert frameworks such as the Building Stability Overseas framework. We continue to seek improvements, and the National Security Adviser is leading a process to examine what more needs to be done.

Section 2: National Security Objective 1 - Protecting Our People

2.1 National Security Objective 1 is to protect our people – at home, in our Overseas Territories and abroad – and to protect our territory, economic security, infrastructure and way of life. While some of the commitments we made involve long-term and complex programmes of investment and development, others have been delivered this year.

A. Protecting the UK, Overseas Territories and British Nationals Overseas

2.2 The Government's most important duty is the defence of the UK and Overseas Territories, and protection of our people and sovereignty.

Deterrence

2.3 As we set out in SDSR 2015, defence and protection are at the heart of the UK's national security policy, and we have adopted a full spectrum approach to deterring existing and emerging threats. **The UK is leading a renewed focus on deterrence and defence in NATO** that addresses cyber, hybrid warfare, vulnerabilities and resilience, in line with NATO's deterrence posture. Our membership of NATO provides for collective defence, and also for cooperative security arrangements with the Alliance's partners.

Our Sovereignty

2.4 We continue to use our full range of capabilities to defend our sovereignty and territorial integrity. **To coordinate our maritime security nationally and with international partners, we established the Joint Maritime Operations Centre (JMOC) in August 2016.** This is enhancing joint working between law enforcement agencies and the Royal Navy in response to increased counter-migration operations in the Channel.

B. Our Armed Forces

2.5 Our Armed Forces perform an essential role defending the UK. To support their vital task, we are committed to providing them with the funding, resources and equipment they need to protect the UK at home and abroad. The development of Joint Force 2025 will generate the defence capability we need to ensure that we are able to tackle a wider range of more sophisticated adversaries.

2.6 **We remain committed to spending 2% of our GDP on defence every year of this decade,** meeting the NATO target for defence spending. The Defence Budget, agreed in the 2015 Spending Review, also reflects a commitment that the overall Defence Budget will rise by 0.5% in real terms each year until 2020-21, allowing the MOD to plan effectively across the Spending Review period.

2.7 We are one of five NATO members that spends 2% of its GDP on Defence and one of ten NATO members that meets the NATO guideline to spend 20% of its defence spending on major equipment, including related research and development.

2.8 **We continue to invest in our front line defence capability, with £178 billion committed to defence equipment and equipment support over the next decade.** In July 2016, the MOD (along with all Government Departments) published data on its most important projects for the 2016 Infrastructure and Projects Authority fourth Annual Report, which showed improved ratings for defence projects. The MOD Equipment Plan is due to be published in early 2017, with updated details on the £178 billion planned expenditure.

Joint Force 2025

2.9 Over the next decade, **we will develop a new Joint Force 2025**. It will increase our Armed Forces' ability to work with the rest of government and internationally. Delivering Joint Force 2025 is a long-term programme which will require a sustained effort across the MOD and Armed Forces, but we have made a strong start:

- In April 2016, 77 Brigade reached its initial operating capability, and began contributing to our strategic communications, tackling hybrid warfare and improving battlefield intelligence. Also in April, the MOD confirmed that it would acquire more than 20 Protector Unmanned Aerial Vehicles (UAVs) through a contract with the United States;
- In July 2016 we signed the contract to purchase nine P8 Maritime Patrol Aircraft and an agreement with the US Government to buy 50 new Apache attack helicopters, with delivery expected to start in 2019 and 2020 respectively. July 2016 also saw delivery of the RAF's fourteenth and final Voyager aircraft for air tanking and transport and the first RAF F35 Lightning flying at the Farnborough International Airshow;
- In August 2016, we announced the purchase of a third ultra-lightweight Zephyr UAV, in addition to the two announced in February. Potential wider use of Zephyr to enhance our intelligence, surveillance and reconnaissance capacity is being considered;
- The Army is working to deliver a modernised war-fighting division, including two new Strike Brigades, supported by delivery of the new Ajax armoured vehicles;
- In December 2016, the third and last of the RAF's three new Rivet Joint aircraft is scheduled to be delivered, extending our airborne intelligence gathering capability; and
- In spring 2017, the first of our new aircraft carriers, HMS Queen Elizabeth, will start sea trials; in summer 2017, steel-cutting will begin for the first of the Royal Navy's next generation Type 26 frigates; and the MOD will soon sign a contract for two additional Offshore Patrol Vessels, to be delivered in 2019.

2.10 We are investing in the next generation of combat aircraft technology. As global leaders in the design, manufacture and operation of combat aircraft, **we have continued to collaborate closely with France on Future Combat Air Systems**. At the Amiens Summit in March 2016, we agreed jointly to invest £1.5 billion in these systems. In 2017, we will move from a feasibility study to preparation for the full-scale development of unmanned combat air system (UCAS) operational demonstrators by 2025. Our air forces are working together to analyse how manned and unmanned systems might operate together.

2.11 **The Armed Forces continue to work with Ministers and officials across government to ensure appropriate support to Government in the event of a terrorism incident against UK interests.** We maintain the availability of 10,000 military personnel, niche military specialists and equipment, on standby to assist the civil authorities at short notice in the event of a significant terrorist incident.

2.12 Policy changes also underpin Joint Force 2025. In October 2016, the Prime Minister announced our presumption that we would derogate from the European Convention on Human Rights in future conflicts. **This is the first step in ensuring that our Armed Forces overseas are not subject to persistent human rights claims that undermine their ability to do their job.** The MOD is continuing to work closely with the Ministry of Justice on developing and delivering a package of further proposals, whilst ensuring that our Armed Forces will continue to operate under a comprehensive legal framework in accordance with Service Law and International Humanitarian Law. The MOD are consulting on legislative plans to enhance

compensation payable for death or injury on the battlefield and enshrining the principal of 'combat immunity' into law.

Our people

2.13 Our Armed Forces rely on the skills, commitment and professionalism of our servicemen and servicewomen. **We are committed to maintaining the size of the regular Armed Forces and to not reducing the regular Army below 82,000.** We are committed to achieving an inclusive working environment, and to building Armed Forces that are diverse and representative of UK society. As a step towards this goal, by 2020 the Armed Forces will be recruiting at least 10% Black, Asian and Minority Ethnic personnel and at least 15% women. In July 2016, we announced that the exclusions on women serving in Ground Close Combat roles are being lifted.

2.14 The MOD has put in place a programme to make the changes necessary to enable our Armed Forces to work flexibly, reflecting the realities of modern life whilst preserving those elements that reflect the unique demands of military service. **The MOD is developing a new offer for future recruits to the Armed Forces,** which will consider better, more efficient, ways of targeting the reward package, to improve recruitment and retention, and to retain key skills.

2.15 The MOD is developing a new accommodation offer to deliver greater choice and better support for service personnel to get the housing they need, regardless of age, rank, or relationship status, whilst still fulfilling the needs of the Services. Service personnel's views will inform plans for rolling out the new policy. **The first UK Armed Forces Families' Strategy was published in January 2016,** designed to ensure that the families of people who serve get the support they need. An Action Plan was agreed in September 2016, which will help to ensure that consideration of the Service family remains at the centre of policy development.

2.16 Plans to expand the reserve forces to 35,000 by 2019 are on track. We continue to work with the Services to integrate the Reserves further into the whole force, with reservists carrying out a wide variety of roles alongside their regular counterparts. We continue to develop the offer made to both reservists and employers, and over 1,000 employers have now signed the Armed Forces Covenant. The Reserve Forces' and Cadets' Association External Scrutiny Team reported in June 2016 that Reserves recruitment continues to improve.

2.17 We are continuing to reform the MOD. We committed to reducing the number of civilians employed by the MOD by almost 30%, to 41,000, by the end of this Parliament. **A new strategy will be published shortly to set out the strategic direction for the work underpinning the Future Defence Civilian Programme.**

Defence Estate

2.18 In November 2016, the Defence Secretary announced an estate optimisation programme to meet the needs of our Armed Forces within a significantly smaller defence estate. During 2016, **the MOD has announced the future release of a total of 91 sites, which will raise nearly £2bn for investment in the remaining MOD estate and provide land for up to 55,000 new homes,** contributing to the Government's target of 160,000 by 2020.

C. The nuclear deterrent

2.19 The UK's independent nuclear deterrent remains essential to our security. As NATO Allies confirmed for the first time at the July Warsaw Summit, separate Allied centres of decision-making contribute to NATO's nuclear deterrence by complicating the calculations of potential adversaries.

2.20 In July 2016, a **debate was held in the House of Commons on the principle of Continuous At Sea Deterrence (CASD)**. MPs voted decisively to maintain our current CASD posture, with 472 votes for the motion and 117 against. We continue to make the necessary investments to sustain CASD, as the ultimate guarantee of our security. **Work is underway to replace the Vanguard Class of nuclear-armed submarines with the new Dreadnought Class.**

2.21 In September 2016, **the MOD signed the delivery phase one contract, initiating construction of HMS Dreadnought, the first 'Successor' submarine**, at Barrow in Furness. The MOD is also making good progress on related requirements, appointing a new Director General Nuclear to oversee the nuclear programme, developing plans to establish a Submarine Delivery Body, and, working with BAE Systems and Rolls-Royce to put in place improved industrial and commercial arrangements for the delivery of the four Dreadnought Class submarines.

2.22 In March 2016, the MOD agreed a new contract with AWE Management Limited for management and operation of the Atomic Weapons Establishment. The new contract supports the weapons for our nuclear deterrent, and delivers better value for money.

D. Combating extremism and terrorism

2.23 **We remain committed to continued investment in capabilities to protect ourselves from terrorist attack.** As attacks this year in France, Belgium, Germany, Turkey and other parts of the world have demonstrated, the threat from terrorism is more acute and more complex than ever before. **We continue to work with close international allies and partners to prevent and to protect ourselves from terrorism.** We work with NATO and the EU and their member states, and with vital bilateral partners across Africa, Asia, the Middle East and Gulf.

2.24 **We have reviewed CONTEST**, the UK's counter-terrorism strategy, to ensure the highest priorities are given the right resources, and that government departments and agencies have a unified approach. A new version of CONTEST will be published shortly. **The strategy will set out how we will continue to reduce the risks from terrorism to the UK, and its citizens and interests overseas.**

2.25 **We continue to counter extremist ideologies and prevent people from being radicalised. We continue to strengthen our work under the 'Prevent' strand, to safeguard people from becoming radicalised.** The Prevent statutory duty has prompted a significant step forward in the delivery of Prevent work. Almost 550,000 frontline staff have attended Prevent training to identify those vulnerable to radicalisation. **Significant progress has also been made implementing the 2015 Counter-Extremism Strategy.** We have completed a cross-government review into the funding of extremism in the UK, helping us to disrupt the flow of funds to extremist activities. We are running a communications campaign to challenge the narratives of Islamists and the Extreme Right Wing, and in September 2016 we launched a programme of partnership work to counter extremist messages targeted at the most vulnerable.

2.26 **We continue to take action to pursue terrorists. Our security and intelligence agencies work around the clock to protect our people and our interests.** The police, and the security and intelligence agencies, have continued to investigate, disrupt and, wherever possible, convict terrorists. In the year

ending June 2016, there were 222 terrorism related arrests. Of those arrested, 63 were charged with terrorism-related offences. 24 have been prosecuted so far, all of whom were convicted.

2.27 We have increased resources for counter-terrorism police and security and intelligence agencies to pursue terrorists through the 2015 Spending Review. By 2021, the security and intelligence agencies will have invested an additional £2.5bn in their capability to deliver against national security priorities. We are on track to recruit over 1,900 additional security and intelligence staff to deter and respond to those behind global threats.

2.28 Our intelligence and security agencies need to continue to acquire intelligence and evidence from electronic communications in order to investigate, understand and disrupt threats to national security. In support of this, the Government has worked to ensure that the law keeps pace as communications technology advances. In November 2016, **the Investigatory Powers Act 2016 received Royal Assent**. The Act brings together the powers available to law enforcement and the security and intelligence agencies to acquire communications and communications data. It puts those powers on a single, clear statutory footing and ensures they are subject to strict safeguards and robust oversight.

2.29 The threat to aviation remains elevated, reflecting the airport attacks at Brussels and Istanbul, and the attempted bombing of a flight from Mogadishu. **We have more than doubled our spending on aviation security around the world**, enabling us to substantially increase the number of British experts who can be deployed overseas. We have also established a 'Future Aviation Security Solutions' research and development programme, which will run over the course of the Parliament.

2.30 In April 2016, we established a new Joint International Counter Terrorism Unit, which has become the strategic centre for UK counter-terrorism work overseas, bringing together the expertise of the Foreign and Commonwealth Office, Home Office and other departments. The new unit is leading our counter-terrorism agenda internationally. An expanded network of international counter-terrorism and extremism experts is being created in parallel, to deliver more targeted and increased effect overseas.

2.31 The UK maintains its leading role in the Global Coalition to tackle Daesh, militarily, and through linked diplomatic, aid, and resilience strategies. The UK leads the Coalition's efforts to counter Daesh's propaganda including via the Coalition Communication Cell, based in London.

E. Cyber

2.32 We are committed to maintaining a United Kingdom that is prosperous and confident in the digital world, while remaining secure and resilient to cyber threats. We are working with industry, especially communications service providers, to make it significantly harder to attack UK internet services and users, and to greatly reduce the prospects of successful attacks having a sustained impact on the UK.

2.33 **We launched the new five-year National Cyber Security Strategy in November 2016**, which is based on three pillars of defending our people and assets, deterring our adversaries and developing critical capabilities to build skills and support growth. The new strategy will be delivered **with the £1.9 billion announced in SDSR 2015, which is now being invested through the new National Cyber Security Programme and National Offensive Cyber Programme**. This will include active cyber defence, a national cyber security centre, a dedicated ability to counter-attack in cyberspace, an ambitious skills programme, and help to grow the UK cyber security sector.

Detection defence and response

2.34 We continue to invest in cyber detection and response, as attacks against the UK continue to rise. Over the last year, we have developed new technical capabilities to improve our ability to detect and analyse sophisticated cyber threats. Law enforcement continues to work with industry partners to increase specialist capability and expertise, as well as providing additional training in digital forensics. We are also continuing to progress our Active Cyber Defence measures against high-level threats, by strengthening UK networks against high volume/ low sophistication malware.

2.35 The National Cyber Security Centre, launched in October 2016, is significantly enhancing the UK's ability to deal with the full spectrum of cyber security threats. The new Centre acts as a bridge between industry and government, providing a unified source of advice and support on cyber security, including the management of cyber security incidents.

2.36 Development of a new secure cross-government network is in progress, to enable more efficient handling of national security matters. We are tackling the complex technological and practical challenges involved with support from relevant technical authorities, and governance led from the top of the Civil Service. The programme has benefited from review by the Infrastructure and Projects Authority, and is currently in a proof of concept phase.

2.37 We are delivering a comprehensive cyber security business engagement strategy to help industry protect itself in cyberspace. This includes promoting a range of guidance, support and training, engaging directly with industry at multiple events across the UK, promoting the Government's Cyber Essentials scheme to help businesses protect against common cyber threats, and developing new tools and initiatives for the future. 2,673 certificates have been issued since November 2015.

Cyber crime

2.38 We continue to work to disrupt cyber crime. Law enforcement bodies are working with industry partners to increase specialist capability and expertise. Over the past year, the National Crime Agency (NCA) and the police have steadily increased their numbers of 'cyber specials' working alongside law enforcement officers on cyber crime, and are making good progress towards a target of 80 cyber specials in post by the end of March 2018. We have also invested in regional cyber crime prevention coordinators, who engage with SMEs and the public to provide bespoke cyber security advice.

2.39 To tackle criminal use of the 'dark web', a new Dark Web Intelligence Unit has been established within the NCA. The upgrade of its capability will continue throughout the 2016-17 financial year and beyond leading to significantly greater technical capability. This will enable the use of multiple data sources, offer new and different types of analysis, and coordinate with multiple agencies to deal with issues at scale.

F. Serious and organised crime

2.40 Serious and organised crime is a chronic, constant, pervasive threat that corrodes our communities, attacks our economy and subverts state authority. The NCA continues to lead our operational response to serious and organised crime. During 2015/16, NCA activity has resulted in 3,063 arrests, 915 convictions and 1,329 disruptions. Over the next year, we will continue our work with law enforcement to strengthen the capabilities required to tackle this ever evolving threat, ensuring we have the right capabilities at the national, regional and local levels to enable an efficient and effective response.

2.41 The UK is leading the world with efforts to stamp out modern slavery and human trafficking. In July 2016, **the Prime Minister announced a new Modern Slavery Taskforce** to drive improvements in our operational response. This Taskforce met for the first time in November 2016.

2.42 Modern slavery does not respect borders, and requires a coordinated international response. For this reason, the Prime Minister sought to galvanise international action to stamp out modern slavery when she brought together leaders, representatives of international organisations and experts in the margins of the UN General Assembly in September 2016. **We have played a leading role in ensuring the prevention of modern slavery is included within the UN Sustainable Development Goals.** We will be using over £33 million from our aid budget to create a five-year International Modern Slavery Fund focused on high-risk countries, from which we know victims are trafficked to the UK.

2.43 We remain committed to ensuring we have the right capabilities to disrupt and dismantle the criminal networks that conduct modern slavery and immigration crime in the UK and overseas. **We have expanded the Organised Immigration Crime (OIC) Taskforce** as the threat from migration-related criminality has changed. In early summer 2016, the increase in irregular migration across the Western Balkan and Aegean routes resulted in an increase in organised criminal gangs exploiting migrants. In response, the OIC Taskforce covering these regions was expanded with deployments beginning in June 2016. The Taskforce is currently working in 17 countries, sharing intelligence and conducting joint operations with international partners. In 2015/16, immigration enforcement achieved 185 disruptions against criminals involved in organised immigration crime.

2.44 We have strengthened our approach to all forms of child sexual exploitation and abuse. In 2015/16 we have safeguarded or protected 1802 children and prosecuted more offenders than ever before. The NCA has strengthened victim identification and created additional intelligence and child protection advice capabilities. All UK police forces, and the NCA, are now connected to the Child Abuse Image Database, allowing them to identify and protect victims quicker than before.

2.45 We continue to lead the global effort to end online child sexual exploitation and abuse. Over 2015/16, a £10 million UK partnership with UNICEF helped tackle online child sexual exploitation and abuse in 17 countries. We are working with UNICEF to launch the Global Fund to End Violence Against Children, to which the UK will commit £40 million over the next four years.

2.46 Cutting off the supply and availability of firearms to criminals and terrorists remains a priority in our counter-terrorism and serious and organised crime work. We are in the process of strengthening domestic law on firearms through the Policing and Crime Bill to prevent loopholes being exploited by terrorists and criminals, and we are working through the EU to introduce tighter firearms controls across Europe. In addition, we are investing £2m in 2016/17 and 2017/18 in research to develop novel automatic threat detection technologies and are working with key international partners to improve information and intelligence sharing.

2.47 We committed in SDSR 2015 to introduce new measures to make the UK a more hostile place for those seeking to move, hide or use proceeds of crime and corruption. **In April 2016, we published an Action Plan for Anti-Money Laundering and Counter-Terrorist Finance which sets out how we attack criminal finances.** Also in April, the UK's new public Register of People with Significant Control came into force, showing the owners and controllers of UK-registered companies. The UK hosted a global anti-corruption summit in May 2016 to galvanise international activity to tackle corruption and the proceeds of crime. At the summit we announced the development of a public beneficial ownership register of foreign companies, which own, or wish to buy land in the UK, or to bid on central Government procurement contracts. This will be the first register of its kind in the world, bringing transparency to foreign company

ownership and control where they operate in the UK. **We extended our work with the private sector,** leading to law enforcement and banks working together to tackle money laundering and fraud.

2.48 In October 2016, a new Criminal Finances Bill was introduced to Parliament. The Bill includes new law enforcement powers to tackle money laundering, corruption, and terrorist finance, and to recover the proceeds of crime, and puts forward new measures to enhance information sharing across the regulated sector.

G. Crisis response and resilience

2.49 We have continued to strengthen the UK's response to emergencies and have reviewed our response to crises working alongside partners in government, the private sector, communities and the public. This includes improving our preparedness to deal with infectious diseases, the resilience of our Critical National Infrastructure (CNI), energy security, and our resilience to major flooding.

2.50 We learned lessons from the flooding in the north of England in the winter of 2015/16 and **published the National Flood Resilience Review**, which laid out how we will further improve the nation's resilience to major flooding incidents. This includes working with infrastructure companies to ensure that their assets are more resilient to flooding and encouraging them to share more asset data with local responders to ensure a more effective and swifter response.

2.51 We have initiated a cross-government review of our approach to the Biological Security landscape, and **we intend to publish a new national Biological Security Strategy shortly**. The strategy will set out how we will address the threat of natural disease outbreaks, as well as the less likely threat of biological materials being used in a deliberate attack.

2.52 **We continue to keep under review the regulatory frameworks for our critical infrastructure sectors.** In particular, we remain focussed on ensuring that these frameworks meet the challenge from emerging risks, such as cyber threats. The Department for Business, Energy and Industrial Strategy (BEIS) is reviewing the Government's approach to the ownership and control of critical infrastructure, to ensure that the full implications of foreign investment and ownership are understood, and that any national security implications are fully considered both before and after investment approval.

2.53 To enhance the UK's resilience to power disruptions, **we are working with the energy regulator, the Office of Gas and Electricity Markets (Ofgem), and industry to ensure recovery plans for the unlikely event of a major power outage are robust and tested.** BEIS has been engaging local responders to facilitate exercises so they can better understand the implications of a wide area power disruption. In addition, we are investigating the resilience of the critical infrastructure sectors to wide area power failure.

2.54 **We are reviewing infrastructure policing to ensure that the UK has the right capability to protect our national infrastructure and address national threats.** The scope includes the protection of civil nuclear and some defence sites, policing at airports and the rail network.

2.55 In December 2015, **the UK Space Agency published our National Space Policy**, which sets out the way we are working across Government and with industry to support and enhance the UK's existing strengths in the space sector. Space is strategically important for national security, public services, science and innovation, and employs over 35,000 skilled workers in the UK. Defence operations and our international security policy interests are heavily underpinned by access to space systems. We are committed to preserving and promoting the safety and security of space, tackling threats from malicious counter-space technologies and non-malicious hazards such as space debris. We are also committed to

international cooperation to create legal frameworks for the responsible use of space, and support the growth of a robust and competitive space sector, with a target of the UK taking a 10% share of the global space market by 2030.

Section 3: National Security Objective 2 - Projecting Our Global Influence

3.1 Over the past year, the UK has continued to use our global influence to protect and promote our interests and values. The Prime Minister has made clear that, as we move towards leaving the European Union, the UK will further strengthen and develop our global partnerships, building on strong links with traditional allies and partners, developing new partnerships, and extending our influence to help deliver our national security objectives.

Global influence

3.2 **Defence engagement** builds understanding and increases our influence in regions that matter to us. It also contributes to improved cooperation, and efficiency of joint operations with allies and partner militaries, and supports defence exports. **Defence engagement has become a funded, core MOD task for the first time.** The MOD and Foreign and Commonwealth Office (FCO) will continue to collaborate on the strategic direction of defence engagement. We will publish a revised UK Defence Engagement Strategy in early 2017.

3.3 We have invested in the skills required for defence engagement through a new Defence Attaché and Loan Service Centre in the Defence Academy, opened in April 2016. The MOD has also established a Centre for Defence Healthcare Engagement, at the Royal Centre for Defence Medicine in Birmingham, to work with our international partners and co-ordinate international medical training.

3.4 The UK now has resident Defence Attachés and Advisers in 80 countries. Increases this year to our defence representation reflect the regions of security significance to the UK and the NATO Alliance. In the Baltic and Nordic region we now have a Defence Attaché for Finland. The Defence Attaché for the Baltic States, who is resident in Estonia, now has a Deputy in Lithuania, with another Deputy soon to be in place in Latvia. We have established a Defence Attaché for the Sahel, based in Senegal, who will also cover Gambia, Mali and Niger.

3.5 **We are establishing new British Defence Staffs in the Middle East, Asia Pacific and Africa**, to provide a new focal point for our significant investment and activity in these regions. We will announce more details of these establishments shortly. All three are expected to be established by December 2016 and fully operational by summer 2017, bringing coherence and increased impact to our defence activities in each region.

3.6 International defence training is recognised as a key element of defence engagement, building on defence diplomacy and contributing to objectives such as capacity building, security sector reform, conflict prevention and stabilisation. **We have increased the number of international places being offered on our most prestigious International Defence Training courses** from 1221 places in 2015/16 to at least 1520 places offered in 2016/17. We have also established new international courses on leadership and strategic planning, at the Defence Academy, for partners and allies.

3.7 In addition, MOD has increased the number of international students on a wide range of other training and education courses. The number of Short Term Training Teams deployed overseas has increased by 60% from 205 in 2015/16, to 328 delivered or planned in 2016/17, enabling us to have a significant impact in improving the capability of many of our key partners.

3.8 As agreed in January 2016 in our Foreign and Defence Ministers' Dialogue with **Japan**, RAF Typhoon aircraft joined the first-ever UK-Japan joint Fighter Exercise in October-November 2016. The

Typhoons also exercised with the **Republic of Korea** and in **Malaysia**, alongside our partners from the **Five Powers Defence Arrangements (FPDA) – Singapore, Malaysia, Australia and New Zealand**.

3.9 In line with our global leadership on the UN's Landmark Resolution (UNSCR 1325) on **Women, Peace and Security (WPS)**, all UK troops deploying on overseas missions receive training on WPS and Preventing Sexual Violence in Conflict. We have now developed a specific pre-deployment training module for troops from other countries, and will look to further enhance our work on the WPS agenda as we update the three-year National Action Plan on WPS next year.

3.10 **The UK's global diplomatic network** is a unique and powerful asset which builds, supports and capitalises on our ability to project influence worldwide. To further enhance the UK's diplomatic skills and knowledge, **we continue to develop and deepen our country expertise in areas that are vital to our security and prosperity**. Learning and development activities, through the Diplomatic Academy, include broader programmes of courses and seminars on priority and topical areas. The importance of relevant language training has been reinforced, and staff language attainment has improved in Asia-Pacific languages, Central Asian languages and Russian. We will continue working to enhance skills in all priority languages.

3.11 Our prestigious **Chevening, Marshall and Commonwealth scholarship** schemes attract high quality applicants from around the world, enabling the most able candidates to benefit from and contribute to UK higher education institutions, and building a strong international network of scholars with a strong affinity for the UK. **Over 2600 new students began their studies in the UK in 2016 under the Chevening, Marshall and Commonwealth Schemes.**

3.12 Alongside formal defence and diplomatic engagement, **soft power** provides the UK with enormous influence, and helps us build understanding between countries and promote the exchange of information and ideas. While much of it is completely independent of government, the government continues to support organisations that help to spread understanding of British values, expertise and culture across the world. **We continue to invest in the British Council**, funding programmes which help strengthen institutions, good governance and civil society; support economic and social development; encourage debate and dialogue; and develop creativity and the arts. These include for example the Young Arab Voices programme, a major British Council programme designed to increase young people's skills for public debate and to provide platforms for young people from diverse backgrounds to meet and exchange views.

3.13 **We are also investing £289 million over the next four years in the BBC World Service** to bring high quality and impartial news to an even greater number of people around the globe. In November 2016, the BBC World Service announced the launch of services in 2017 in eleven new languages, including Korean, and languages used in India, Nigeria, Ethiopia and Eritrea. In existing languages the BBC will offer more digital content to meet the demands of twenty-first century audiences, including more topical programming, TV and digital bulletins, and new programming for Thailand, the Gulf, North Africa and Russian-speaking countries.

3.14 We are developing a new cross-government **Governance, Education and Culture Fund** worth over £700 million over five years. It will help to deliver both SDSR 2015 commitments and the UK Aid Strategy, while further building understanding between countries, promoting the exchange of information and ideas, and enhancing UK soft power.

Allies, partners and global engagement

3.15 Our worldwide partnerships and alliances are more important than ever. We have used our permanent membership of the UN Security Council to deliver results through the UN on issues including aviation security, people trafficking and counter-terrorism. We have worked particularly closely with G7 and G20 partners to tackle global issues such as anti-corruption, anti-microbial resistance (AMR), and climate change (where the UK ratified the Paris climate change treaty in November 2016).

The Euro Atlantic Area

3.16 The **NATO** Warsaw Summit in July 2016 built on progress made at the 2014 NATO Summit in Wales by agreeing an 'enhanced forward presence' of NATO forces in Estonia, Latvia, Lithuania and Poland. The UK is taking a leading role, providing the principal 'framework' battalion to be based in Estonia from 2017. This will unambiguously demonstrate NATO allies' solidarity, determination and ability to act together to protect against potential threats. Building on other Warsaw Summit commitments, we are working with Allies to strengthen NATO-EU cooperation to meet security challenges in Europe, and to project stability through defence capability building in Iraq, supporting operations in the Aegean, and the Resolute Support Mission in Afghanistan.

3.17 Within the **EU**, we are continuing to implement our commitments to CSDP operations and missions. For example, we are contributing two ships to Operation Sophia in the central Mediterranean and we provide the Operational Headquarters for Operation Atalanta which is successfully combatting piracy off the Horn of Africa.

3.18 The **United States** remains our pre-eminent partner for security, defence, foreign policy and prosperity. Interoperability with the US is at the heart of our defence relationship. **We continue to expand cooperation with the US in planning, intelligence, command and control, operational burden sharing and operational delivery.** By aligning our military planning, we are increasing our efficiency and operational effectiveness.

3.19 The British and US Armies have agreed a detailed plan to increase their ability to work together as part of Joint Force 2025 and the equivalent US Army Force 2025. Strengthened US-UK interoperability has enhanced our Continuous At Sea Deterrence (CASD), is supporting the reestablishment of our maritime patrol capability, and has enabled us to plan for US aircraft, alongside our own, to be deployed on board HMS Queen Elizabeth. The Royal Navy and US Navy and US Marine Corps are increasing cooperation and future interoperability. The US is a key partner in the delivery of many RAF capabilities from the F35 Lightning aircraft to Rivet Joint reconnaissance aircraft and the C17 transport. Our procurement of nine Boeing P8 maritime patrol aircraft and 50 Apache helicopters, of the same type as the US operates, will further increase the opportunities for us to work together.

3.20 **We continue to work closely with the US on global stability and our shared interests.** The US and the UK are playing leading roles in the fight against Daesh, with both countries this year hosting Ministerial meetings of the 67-member Counter-Daesh Global Coalition. Extensive Ministerial and senior official interaction has included a visit by President Obama and seven visits to the UK by Secretary Kerry, ensuring maximum strategic alignment. In October 2016, the Foreign Secretary co-hosted talks in London with Secretary Kerry to agree support for the Libyan Political Agreement, but we continue to work closely together on all key foreign policy issues, including: Syria, Iran, the Middle East Peace Process, Russia/Ukraine, China, cyber, countering violent extremism, counter-terrorism, climate change, and economic and financial issues. The UN Peacekeeping Ministerial meeting in London in September 2016 took forward the work started by the US at the UN Peacekeeping Leaders' Summit in New York in September 2015. The UK and US will remain strong and close partners on trade, security and defence

under President-elect Trump, with our enduring and special relationship based on the values of freedom, democracy, and enterprise.

3.21 We continue to strengthen cooperation with France. The Lancaster House Treaty continues to be the cornerstone of cooperation and collaboration across the domains of defence equipment capability, operations, science and technology and counter-terrorism. We maintain regular and frequent Ministerial and senior official contact with French counterparts. At the UK-France Summit in Amiens in March 2016, the then Prime Minister and President Hollande recommitted to further strengthening the rich bilateral defence relationship, based on three pillars of cooperation on operational matters, capability projects and nuclear technology.

3.22 We announced the next stage of development on the joint Maritime Mine Counter Measures programme in Paris in October 2016 and **we continue to work closely with French colleagues on Unmanned Combat Air Systems.** We also continue to collaborate with France on the Combined Joint Expeditionary Force, following full validation of its operational concept at Exercise Griffin Strike in April 2016. UK and French Defence Secretaries meet regularly to review bilateral cooperation and a joint capability review is underway to identify future possible areas of joint procurement and collaboration.

3.23 We have further strengthened our close security and defence relationship with Germany. Our regular bilateral Ministerial, military and official meetings cover a broad range of defence and security issues (including NATO, deterrence, migration, and defence & security reviews). In July 2016, Germany published its White Paper on Security Policy and the Future of the Bundeswehr, which identifies the UK as a key partner on Defence and Security, and highlights our shared aspiration to expand our partnership.

3.24 The UK and Germany are committed to working more closely together on exercises and operations to tackle threats around the world. German Tornados operate alongside our own against Daesh, German Tornado and Typhoon aircraft are now certified to undertake routine air-to-air refuelling from RAF Voyager tankers, and a Royal Navy Wildcat helicopter will fly from a German frigate next year. Our Ministerial Equipment and Capability Cooperation dialogue supports further joint development of the Typhoon and A400M aircraft, and has launched 27 new joint projects across all areas of defence.

3.25 We continue to strengthen security and defence links with all our NATO and European partners. The annual Foreign and Defence Ministerial meeting with **Poland** in January 2016 agreed areas for even closer cooperation, and we signed a bilateral defence agreement with **Sweden** in June 2016.

The wider world

3.26 We have maintained our strong relations with partners in the Gulf region. We are further deepening and broadening our relationships, including through the first UK-Gulf Cooperation Council (GCC) Summit in December 2016. Up to 1,500 UK military and civilian personnel continue to provide the deterrence, reassurance and readiness posture that protects UK citizens and the flows of energy and trade in the region.

3.27 We are undertaking detailed planning and preparations for a more permanent and substantial military presence in the Gulf. We are investing in infrastructure, including Mina-Salman Naval Base in Bahrain, Minhad airbase in the United Arab Emirates, and Duqm port in Oman. In addition to our substantial footprint of loan-service personnel and liaison officers, we have increased our short-term training missions across the region. In the last 12 months we have delivered more than 30 bilateral or multilateral exercises that develop regional and UK interoperability and nearly 400 individual training places on defence courses in the UK.

3.28 We have taken our relationship with China to a new level. In January 2016, the Government agreed a joint statement with China on humanitarian, counter-terrorism and political efforts in Syria, the first statement of its kind with China. In June 2016, at the inaugural UK-China Security dialogue, we agreed further cooperation with China on counter-terrorism, cyber, organised crime, and regional and global security. We are working together in the G20 to tackle corruption, improve global health and promote green finance. We are enhancing cooperation on climate change, peacekeeping and development.

3.29 Following a comprehensive review and revisions to the agreement with Electricité de France (EDF), we decided to proceed with the Hinkley Point C power station project, in cooperation with EDF and the China General Nuclear Power Corporation (CGN).

3.30 We continue to strengthen our strategic partnership with **India**, including with the Prime Minister's visit to India in November 2016. With Prime Minister Modi, she agreed to take forward defence cooperation through Capability Partnerships, which would include research and technology linkages and defence manufacturing; and to deepen co-operation, including on countering terrorism, radicalisation, and violent extremism and on cyber security. The Prime Ministers agreed to work together to reduce the threat from online extremism, to work towards a Cyber Framework, and to continue our close coordination and consultation within the G20 and UN.

3.31 We have continued to strengthen our ties with **Canada**, working more closely together in NATO, the G7 and the Commonwealth, most notably on climate change. Strong relationships with **Australia and New Zealand** continue to flourish. The AUKMIN meeting between UK and Australian Foreign and Defence Ministers held in September 2016 discussed approaches ranging from countering Daesh to counter-terrorism in the Asia Pacific region and further defence collaboration. Close cooperation with New Zealand, from Iraq to South East Asia, has been given further momentum by its non-permanent membership of the UN Security Council.

3.32 President Santos' State Visit in November 2016 confirmed our strategic partnership with **Colombia** on peace, security and justice, building on our support to the Colombia peace process.

Strengthening the rules-based international order and its institutions

3.33 We have tackled challenges to the rules-based international order head-on. We helped lead the debate in the European Union on maintaining tough sanctions against the Russian Federation for its illegal annexation of Crimea. We secured tougher sanctions against North Korea for conducting further nuclear tests in flagrant violation of UN Security Council resolutions. Following Chinese actions in the South China Sea, we joined EU and G7 partners in expressing deep concern at the situation, urging respect for international law.

United Nations

3.34 We are increasing our contribution to UN peacekeeping operations to double the level of deployments prior to SDSR 2015, with a commitment to deploy over 600 personnel in 2017. Planning continues for a major uplift of around 400 extra personnel to support the UN Mission in South Sudan, in addition to the 40 personnel deployed in 2016 to Somalia on a permanent basis, supplemented by short term training teams of up to 30 personnel as opportunities and requirements are identified. UK personnel deployed with the UN Peacekeeping mission to Cyprus currently number 280, with an additional 20 personnel deployed to other UN operations including Mali, the Democratic Republic of Congo, UN Command in South Korea and the UN Mission to Libya. We will deploy around 30 troops to Kosovo as part of the UN-mandated NATO force early in 2017.

Global Economic Architecture

3.35 We continue to work to make the membership and decision making in International Financial Institutions more inclusive. The UK was one of first countries to make the statutory changes necessary to implement reforms that took effect internationally from February 2016, strengthening the voice of emerging markets and developing countries at the International Monetary Fund. We have been a strong advocate for the World Bank's shareholdings to become more equitable over time, reflecting member countries' rights and responsibilities to the institution. A dynamic formula for the World Bank was agreed at the 2016 Annual Meetings, paving the way towards shareholder realignment next year. The UK has used its influence this year as a member of the Asian Infrastructure Investment Bank (AIIB) to ensure robust governance standards in founding policies.

3.36 We have played a leading role in the **G20** in 2016, co-chairing groups on anti-corruption, green finance and innovation, which delivered key results at the September summit in Hangzhou, China. Working closely with South Africa and Germany we have driven forward the agenda on AMR, and more broadly have worked to make progress on tax capacity-building in developing countries and measures to help tackle money laundering and corruption effectively.

3.37 In 2016, we have continued to engage closely with our partners in the **G7** which has, under Japanese leadership, included developing an action plan to combat the financing of terrorism, and articulating international best practice for improving cyber security in the finance sector.

Standards and laws

3.38 The UK and our allies have been successful in ensuring some elements of the rules-based international system are in place for cyberspace. There has been agreement that international law applies in cyberspace and we are working through the UN Group of Government Experts to further strengthen and embed a common understanding of responsible state behaviour. In the past year we have reaffirmed international agreement that human rights apply online as they do offline. We have also achieved international agreement to and consent for the multi-stakeholder approach as the best way to manage the complexities of governing the internet. We are working internationally to strengthen and embed these agreements while continuing to reject alternate visions of an internet that is controlled by governments and where national borders are recreated in cyberspace.

3.39 We continue to recognise that our economic prosperity and social wellbeing increasingly depend on the openness and security of networks that extend beyond our own borders. The new National Cyber Security Strategy details how we will work with international partners to ensure the continuation of a free, open, peaceful and secure cyberspace that delivers these benefits. This year the FCO's £3.5m Cyber Security Capacity Building Programme is delivering a portfolio of 35 projects benefiting 70 countries in support of this objective.

3.40 The UK remains highly active on international sanctions. Sanctions on Russia and North Korea are among more than 30 UN and EU sanctions regimes that we implement, covering around 2,000 individuals and entities. We have been instrumental in the Iran nuclear deal, both in reaching Implementation day in January 2016, which led to us lifting the first tranche of sanctions against Iran, and in ensuring continued compliance with the deal. HM Treasury's new Office of Financial Sanctions Implementation was launched in March 2016 as part of wider efforts to help business comply with sanctions and to crack down on sanctions evasion. Tougher penalties for sanctions evasion have been included in the Policing and Crime Bill, due to take effect in April 2017.

3.41 We have also reinforced our capability for running trade-related sanctions through the new joint units for Export Controls and for Counter-Proliferation and Arms Control, announced in SDSR 2015 among our implementation and reform commitments. **We have completed a wider review of our sanctions governance.**

Counter proliferation

3.42 Working bilaterally and with partners, we continue to play a leading role in global counter-proliferation efforts. We were instrumental in removing chemical weapons precursors from Libya. We played a leading role in 2015 in setting up the Joint Investigative Mechanism of the UN and the Organisation for the Prohibition of Chemical Weapons (OPCW), which has since found both the Syrian regime and Daesh responsible for using chemical weapons. We worked actively to ensure the OPCW condemned this use of chemical weapons and mandated more inspections of suspected Syrian chemical weapons facilities. **The UK continues to lobby for and encourage wider accession and ratification of the Arms Trade Treaty (ATT)**, working with the Commonwealth Secretariat, the EU, and other key Treaty partners. 87 states are now parties to the ATT, fifteen more than in November 2015.

Tackling conflict and building stability overseas

3.43 We have been at the forefront of efforts to tackle the drivers of conflict and uncontrolled migration around the world. Through our membership of the UN Human Rights Council (HRC) and our bilateral diplomacy we have promoted human rights around the world. The UK has been re-elected as a member of the HRC for the term January 2017 to December 2019. The Prime Minister has committed the UK to lead **the fight to stamp out modern day slavery and human trafficking**, perpetrated by human traffickers and slave drivers who are illegally committing innocent lives to exploitation and abuse. We have supported our EU partners in tackling the migration crisis in the Mediterranean by deployment of naval assets and expertise, and are working to build the capacity of the Libyans to control their own waters.

3.44 **The Department for International Development (DFID) has incorporated into its future spending plans the commitment to spend 50% of its budget in fragile states and regions in every year of this Parliament**, and remains on track to do so. The UK Aid Strategy, published in parallel with SDSR 2015, reiterates this, as well as our overarching commitment to meet the target of spending 0.7% of our Gross National Income (GNI) on development assistance.

3.45 Our development spending in fragile states includes raising our spending in the Middle East and North Africa to £688 million per annum over the current spending review period, a 21% increase on 2015/16. In response to the Syria crisis, at the Supporting Syria and the Region conference in London in February 2016, the UK announced an extra £1.2 billion of UK aid to the crisis for 2016-2020, taking our total investment to more than £2.3 billion. Recognising the immediacy of the crisis, the UK pledged £510 million for 2016, a doubling of our 2015 pledge.

3.46 The cross-government **Conflict Stability and Security Fund (CSSF)** is a critical tool to deliver our top priorities, as set by the NSC. **The 2015 Spending Review confirmed that CSSF funding would increase from £1 billion in 2015/16 to £1.3 billion by 2019/20.** The total allocation for 2016/17 is £1.127 billion (of which £484 million is Overseas Development Assistance). The CSSF continues to be agile in responding to needs, with new funding this year for the Overseas Territories and migration. In the Syria conflict, the CSSF has been the largest bilateral supporter of the White Helmets search and rescue organisation, which has saved over 56,000 lives. The CSSF also released emergency funding for the Mediterranean Migration crisis, and responded to political opportunities to support ongoing operations by the African Union Mission to Somalia and to support the peace process in Colombia.

3.47 The Good Governance Fund (GGF) increased to £30 million annually in 2016/17, and will reach £40 million in 2018/19 and beyond. It is providing Technical Assistance in 5 target countries (Ukraine, Georgia, Moldova, Serbia and Bosnia), to help governments become more open and accountable to their citizens and strengthen their economies to become more resilient to internal and external shocks. This year the fund supported the establishment of the National Anti-Corruption Bureau in Ukraine, which has already launched 200 investigations, made 40 arrests and submitted 25 cases to courts. Other GGF work this year included assisting the establishment of a new Transparency Unit in the National Bank of Moldova, development of Bosnia's first ever nationwide Transport Strategy, and improvement in the capacity of the Georgian Parliamentary Budget Office to prepare economic and fiscal reports.

Climate change

3.48 UK climate finance for developing countries is increasing, and is on track to meet our SDRS commitment of rising to £5.8 billion over five years. This funding will help to build the resilience of developing countries, reducing the cost of responding to disasters.

3.49 The UK has also been at the forefront of work to address ongoing climate crises, including the effects of El Niño. Around 60 million people have been affected by the impact of El Niño, with particularly severe impacts on food security in southern Africa. Through DFID, the UK was one of the first to respond to the crisis. Since mid-2015, we have provided £246 million to countries in Africa to prepare for and mitigate the impact of El Niño.

Global health security

3.50 As announced in November 2016, **the UK Public Health Rapid Support Team is now operational** and ready to deploy to low and middle income countries around the world to help investigate and control disease outbreaks. Building on our experience with the Ebola outbreak from 2015 onwards, we have created the UK International Emergency Medical Register, and pre-deployment and deployment training for the specialists on the register is underway. By September 2017, we expect that the UK Emergency Medical team (EMT) will be able to draw on up to 240 pre-trained trauma and medical staff from the National Health Service. Logistical support for the EMT will include a scalable field hospital, capable of offering primary and secondary emergency healthcare.

Section 4: National Security Objective 3 - Promoting Our Prosperity

4.1 We are seizing opportunities to **promote our prosperity**, harnessing innovation to strengthen our national security, and working with industry to ensure that we have the defence and security capabilities and equipment that we need. As the Prime Minister has said, building an economy that works for everyone depends on a proper industrial strategy that focuses on improving productivity, rewarding hard-working people with higher wages and creating more opportunities for young people. Defence industrial policy will contribute to, and benefit from, our wider industrial strategy, helping to drive growth across the UK.

A. Economic security and opportunity

4.2 **The new cross-Government Prosperity Fund enables the UK to deepen relationships with countries across the globe.** The Fund, worth £1.3 billion over five years, is working to promote economic growth in developing countries. It uses primarily Official Development Assistance (ODA) resources to promote reforms that will drive sustainable development, contribute to a reduction in poverty and create opportunities for international business, including UK companies.

4.3 The majority of the Prosperity Fund will be allocated to larger, multi-year projects which will be launched in 2017. In 2016 the Prosperity Fund supported the London Anti-Corruption Summit, and is financing projects which support reforms in areas including business environment, infrastructure and green energy, in countries including China, India, Brazil, Mexico, South Africa, Turkey, and the countries of south-east Asia.

Emerging Markets

4.4 We have continued to strengthen our relationships with emerging powers, including through the Economic and Financial Dialogues we have with China, India and Brazil. The UK hosted the Eighth UK-China Economic and Financial Dialogue in London in November 2016, helping to advance the UK-China Infrastructure Alliance; to confirm London as the leading Western hub for renminbi trading; to improve market access in China for UK financial services firms; and to enhance our trade discussions.

4.5 London is the leading global centre for offshore rupee finance, with over \$1 billion worth of rupee-denominated bonds worth issued in London so far this year. The UK and India have agreed a strategic urban partnership to build smarter, more inclusive Indian cities that drive our shared prosperity, jobs and growth; and to accelerate our infrastructure partnership, through our next Economic and Financial Dialogue in 2017. The UK and India agreed to prioritise building the closest possible commercial and economic relationship, when the UK leaves the European Union. In the meantime, **we remain supportive of an EU-India Free trade agreement.**

4.6 Under the Economic and Financial Dialogue process with Brazil, we have this year established taskforces on financial services and infrastructure, bringing together expertise from the private and public sectors.

B. Innovation

4.7 Innovation drives the UK's economic strength, productivity, and competitiveness. As SDSR 2015 noted, innovation and our exploitation of science and technology are also vital to our national security. We committed to work with the private sector to make both government innovation and private sector contributions to national security more effective.

4.8 We launched the Defence Innovation Initiative in September 2016. The new innovation infrastructure will enable the MOD to meet its most pressing challenges now, and into the future. The initiative includes setting up:

- A new MOD advisory panel, to catalyse the development of ideas;
- The **Defence and Security Accelerator**, which will help the private sector, allies and academia turn ideas into innovative equipment and services faster for national security users. Our approach will source novel solutions from small and medium-sized enterprises (SMEs), wider industry and academia through competitions;
- The **Innovation, Research and InSights Unit (IRIS)**, which will draw on horizon scanning and market intelligence from across government, academia, industry and international partners to develop a detailed understanding of the external technology and innovation landscape. IRIS is the new name for the **Emerging Technology and Innovation Analysis Cell**; and
- An expanded **Defence Innovation Fund** of £800 million from 2017, pump-priming industry to focus investment on the capability of the future, and attracting non-defence companies to provide inventive military solutions.

4.9 In launching the Defence Innovation Initiative, we also reaffirmed commitments to:

- Dedicating 1.2% of the core defence budget to science and technology; and
- Spending 20% of the MOD's science & technology programme on developing cutting-edge disruptive capabilities.

4.10 We continue to encourage the growth of the UK cyber security sector through a range of initiatives. A newly re-constituted Cyber Growth Partnership of government, academia, and industry, now provides strategic oversight of the UK cyber security ecosystem. It aims to grow a vibrant, innovative cyber security sector that supports the UK's national cyber security requirements. To help turn great innovative ideas into successful commercial endeavours we are introducing in 2017: **two new cyber innovation centres based in Cheltenham and London**; academic start-ups; a £10m Innovation Fund; a proving ground; and an SME boot camp.

4.11 GCHQ has reached out to industry and encouraged firms to invest in cyber security research through the CyberInvest programme which now has 25 industry members committed to investing millions of pounds in cyber security research at UK universities over the next five years. Along with the 13 recognised university Academic Centres of Excellence in Cyber Security Research, GCHQ is investing in 3 research institutes to develop capability in strategically important areas. CyberInvest allows the UK to build a vibrant and trusted research community to help maintain the UK's presence as a world leader in cyber security.

C. The defence and security industries

4.12 While playing a vital role in delivering advanced capabilities for our Armed Forces, law enforcement, security, and intelligence agencies, our defence and security industries also make a major contribution to our prosperity.

4.13 SDSR 2015 committed to refresh our **defence industrial policy**. In August 2016 the Prime Minister chaired the first meeting of the new Cabinet Committee on Economy and Industrial Strategy. The UK's new comprehensive industrial strategy will ensure that all sectors of the economy, including defence industries, are able to benefit from a stable and predictable business environment. We will enable the private sector to build on Britain's strengths, by taking the right long-term decisions on tax, infrastructure, research,

education and skills. We will be consulting widely on our defence industrial policy proposals in parallel with BEIS plans to publish a discussion paper on industrial strategy.

4.14 Through our work on refreshing our industrial policy, **we are taking action to help the UK's defence and security industries to grow and compete successfully**. We are driving greater efficiencies in our single source procurements; incentivising research and development through co-investment opportunities; and improving performance and innovation in contracting for support. This will help to ensure that future investment decisions will contribute to a more dynamic and productive economy.

4.15 **The National Shipbuilding Strategy** is intended to place UK naval shipbuilding on a sustainable long-term footing. It will lay the foundations for a modern and efficient sector capable of meeting the country's future defence and security needs. The Strategy will ensure that we can design and build efficiently to deliver the ships the Royal Navy needs, while maximising the export potential of the UK shipbuilding industry and sustaining valuable UK skills.

4.16 **Sir John Parker's independent report to inform the new National Shipbuilding Strategy was presented to Ministers and published in November 2016**. Sir John, a highly respected expert in this sector, was appointed as Independent Chair to bring strong strategic direction to the development of the strategy and to lead high-level engagement with key stakeholders. We will publish a full response and implementation plan in spring 2017 in our National Shipbuilding Strategy.

4.17 **We are taking action to enable SMEs and non-traditional suppliers to bid for defence and security contracts more easily**. A refreshed SME policy was published in March 2016 aimed at improving the way that the MOD works with SMEs, and we aim to place 25% of defence expenditure with SMEs by 2020. By driving greater innovation into defence procurement, and maximising opportunities for small and medium-sized businesses, we will increase the volume of defence business with a competitive supplier base.

4.18 The MOD no longer disqualifies potential suppliers based on size of company, which historically prevented smaller companies from being able to compete for work. It has appointed Supply Chain Advocates in each buying office, who help companies learn about upcoming needs long before procurement strategies are established or solicitations for tenders are invited. We have opened up the MOD's framework agreements for technical services to any technically qualified SMEs. The Defence Innovation Initiative is also designed to reach out to non-traditional suppliers, to begin to break down some of the barriers associated with working in defence and security.

4.19 **We are enhancing our support to the defence and security export sector**, working collaboratively with UK industry to take a more strategic and joined up approach to defence exports, recognising that exporting is key to sustaining the UK's industrial base in the long term. In September 2016 the MOD launched a new Exportability Policy to ensure that the needs of export customers are considered as an intrinsic part of the domestic procurement cycle. The Type 31 General Purpose Frigate is expected to be the first programme to reflect this new policy.

4.20 The MOD and our Armed Forces play a key role in the promotion of defence equipment and services from UK-based suppliers to overseas partners and allies, providing military and civilian expertise together with Armed Forces resources. Support to defence exports is now a core task for the MOD, which leads strategic defence export campaigns such as Typhoon and Complex Weapons. In November 2016, the UK was selected as a global maintenance and support hub for the F35 Lightning programme. This will generate hundreds of millions of pounds in revenue for the UK, and support thousands of jobs and cutting-edge skills.

4.21 In the cyber security sector, we are backing cutting-edge research to help British companies win business around the world. We have appointed a cyber security trade champion for the Gulf, alongside our cyber specialist in Washington, and the UK Cyber Ambassador. UK cyber security exports have grown 25% year on year, and are expected to reach an annual total of £2 billion by the end of 2016.

Defence and security skills

4.22 We are developing initiatives for the MOD workforce to help address the skills challenge facing the UK defence sector. The MOD is already the largest provider of apprenticeships in the UK, with up to 19,000 apprentices at any one time, half of them in engineering. **We are on track to expand MOD apprenticeship programmes further to train at least 50,000 apprentices by 2020.** We are also investing in our civilian workforce with the MOD supporting over 400 civilian apprentices on 20 different schemes including Engineering and Science apprenticeships and a fast-track Civil Service scheme and we are currently extending the offer to civilian staff to increase significantly the number of staff who undertake apprenticeships this year. We are developing a strategy, working with education providers, employers, and our workforce, to ensure the MOD maintains the critical skills needed to defend the UK.

4.23 We are expanding the number of cadet units in schools. The Cadet Expansion Programme will increase the number of cadet units in schools across the UK from 354 (in March 2015) to 500 by March 2020, funded by £50 million received in LIBOR fines. 25 new cadet units were approved for state schools in May 2016. We expect these units to start parading within 12 months, allowing for training of adult volunteers.

4.24 We are accelerating the provision of targeted training for those who wish to pursue careers in cyber security. The UK already has some of the most skilled cyber security professionals in the world. A new Cyber Security Skills Strategy is now under development, which will set out how we will work with industry and academic providers to secure a pipeline of competent cyber security professionals.

4.25 GCHQ's CyberFirst scheme was established to identify, support and nurture the young cyber talent the UK will need in the digital age. In 2016, we announced a major expansion to the scheme, including a programme in secondary schools, with the aim of having up to a thousand students involved by 2020. The first cohort of 14-17 year olds will begin training under this programme in 2017.

4.26 We are working with industry to establish specific cyber apprenticeships for three critical national infrastructure sectors: energy, finance and transport. Acknowledging the key role universities play in skills development, we are also working to identify and support quality cyber graduate and postgraduate education, building on the certification programme for cyber security Masters courses, established by GCHQ. We are working to establish an active body to provide visible leadership and direction to the cyber security profession, and to advise, shape and inform national policy.

Section 5: Implementation and Reform

5.1 The Prime Minister oversees progress against the commitments set out in SDSR 2015, through the NSC and the National Security Adviser. **A new NSC sub-Committee was established specifically to oversee and drive implementation of SDSR 2015.** The committee was chaired by the then Chancellor of the Duchy of Lancaster. In August 2016, the Prime Minister appointed the Home Secretary to chair the Committee. The committee is supported by a senior officials group to ensure progress between meetings.

Members of the National Security Council (Strategic Defence and Security Review Implementation) sub-Committee

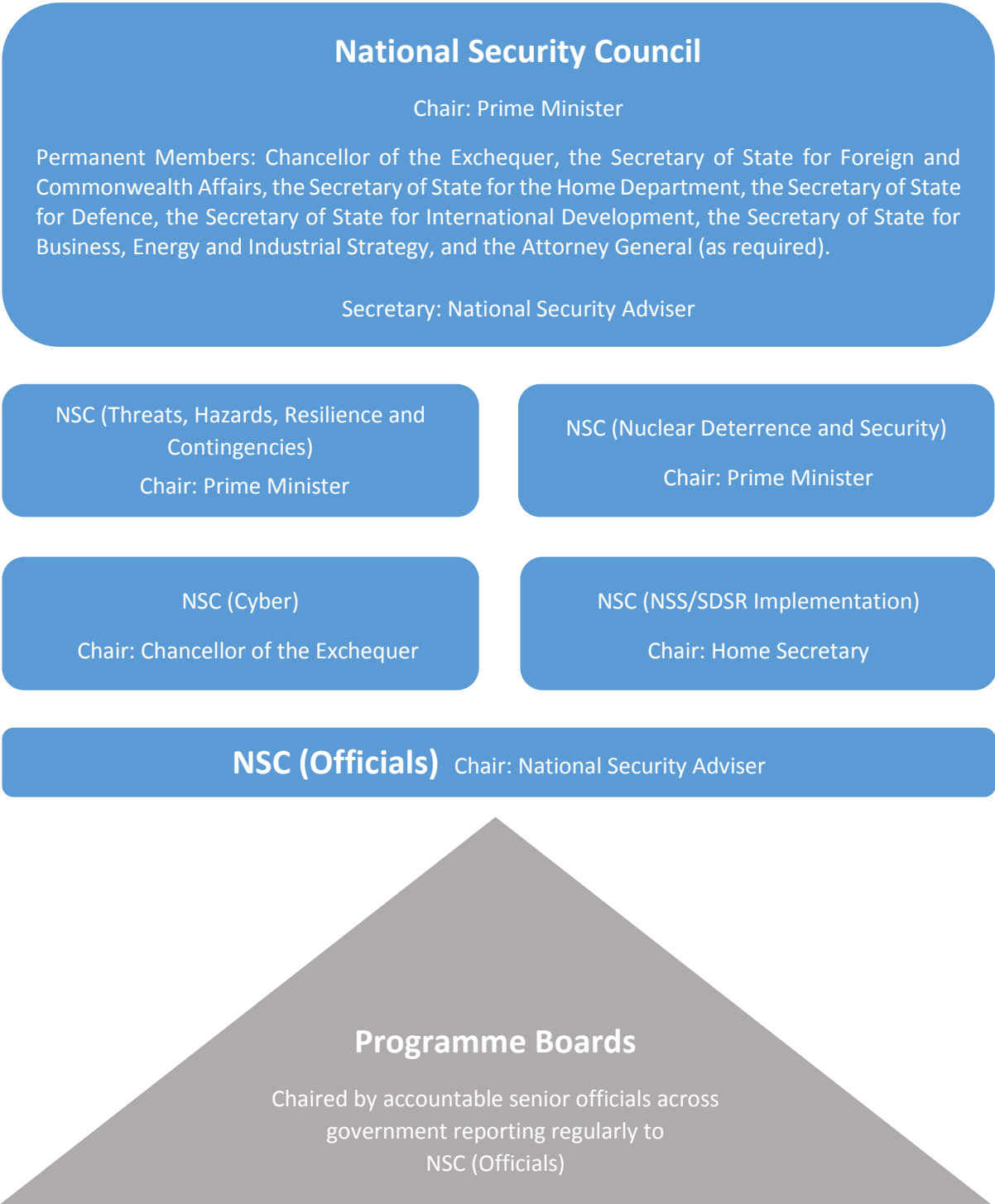
- Secretary of State for the Home Department (Chair)
(The Rt Hon Amber Rudd MP)
- Secretary of State for Foreign and Commonwealth Affairs
(The Rt Hon Boris Johnson MP)
- Secretary of State for Defence
(The Rt Hon Sir Michael Fallon MP)
- Secretary of State for Business, Energy and Industrial Strategy
(The Rt Hon Greg Clark MP)
- Secretary of State for International Development
(The Rt Hon Priti Patel MP)
- Chief Secretary to the Treasury
(The Rt Hon David Gauke MP)

Other ministers will be invited to attend as required.

5.2 We have enhanced our national security structures to promote and support our whole-of-government approach to national security. We have established a small SDSR implementation team within the National Security Secretariat, with staff contributed by the main SDSR departments. This team provides the secretariat to the committee and oversees implementation by Departments.

5.3 The National Security Secretariat and SDSR Implementation process have benefitted from the close interest of the Joint Committee on the National Security Strategy (JCNSS), which took oral evidence from the National Security Adviser in February 2016, and from the then Chancellor of the Duchy of Lancaster, as Chair of the NSC committee on SDSR Implementation, in May 2016. We responded to the JCNSS First Report of 2016-17 in September 2016.

5.4 **We have undertaken a review of the structures and processes which provide support and information to Ministers dealing with crises and serious emerging threats.** As a result, we are investing in the Cabinet Office Briefing Rooms (COBR), including the recruitment of additional staff and enhancement of round-the-clock capabilities. We are taking action to further improve how the National Security Secretariat, the Joint Intelligence Organisation, and relevant Departments and Units across Government, work together during crises.



5.5 We continue to benefit from highly capable data analytics and horizon-scanning capabilities, drawn from expertise across government, and working increasingly closely with the private sector and academia. **We are reviewing strategic intelligence assessment in government**, looking to ensure it is as effective and efficient as possible in providing evidence to inform and underpin national security policy and decision making.

Joint Units

5.6 As set out in SDSR 2015, we have sought to embed a whole-of Government approach to dealing with national security policies. Bringing expertise together from across Government in new issue-focused teams drawing from multiple Departments has allowed us to consolidate the relevant knowledge and experience, coordinating policy more efficiently, and giving scope for removal of duplication. **We have already established the policy-making and delivery Joint Units identified in SDSR 2015:**

- The **Gulf Strategy Unit**, hosted by the Cabinet Office, was established in 2015 and is leading coordination and cross-government consideration of UK policy and programmes in the Gulf, in line with strategies set by the NSC;
- The **Joint International Counter-Terrorism Unit (JICTU)**, hosted by the Home Office, was launched in April 2016, bringing together expertise from the FCO, Home Office and other departments. The new unit is leading our counter-terrorism agenda internationally, and oversees expanded funds for support and capacity building work abroad.
- The **Counter-Proliferation and Arms Control Centre (CPACC)**, hosted by the MOD, started work in July 2016 with teams from contributing departments. Greater emphasis on cross-government working has already paid dividends, for example in the UK's central role in the international effort to arrange safe disposal of Libyan chemical weapons materials;
- The **Export Control Joint Unit (ECJU)**, hosted in the Department for International Trade, went live in July 2016, coordinating the cross-government operation of UK export controls;
- The **Joint Unit on Euro-Atlantic Security Policy (EASP)**, hosted by the FCO, was launched in October 2016. The team is leading the Government's work on NATO policy, the EU's CSDP, and conventional arms control in Europe;
- The **UN Peacekeeping Unit (UNPK)**, hosted by the FCO, started work in November 2016, building on the cooperation between MOD, FCO and DFID on peacekeeping policy and operations, which contributed to the success of the September 2016 London Peacekeeping Ministerial meeting; and
- A single organisation has been created to bring together **National Security Vetting Services**, with an expectation that administrative and financial integration will be completed in early 2017.

5.7 Each of the new joint units will undertake an internal review of its establishment and initial work during 2017. A light-touch network of Joint Unit leaders has been formed, bringing together the heads of new and existing joint units across government, to benefit from shared experience and best practice in managing high-performing cross-departmental teams.

5.8 We remain committed to exploring the establishment of further joint units where there is a good case to do so. In 2016, we also established a **North Africa Joint Unit**, hosted in FCO, bringing together expertise principally from DFID and FCO.

Diversity

5.9 **The Defence and Security Diversity Network was convened in January 2016**, chaired by a Home Office Director. The Network consists of representatives from government Departments, Security and Intelligence Agencies and the NCA, and now meets regularly to discuss opportunities for enhancing diversity and inclusion, and particularly to address challenges that are common across organisations.

Virtual National Security Academy

5.10 We committed to taking a more strategic shared approach to security-related knowledge and skills across government, including relevant education and training establishments cooperating to share, develop and maintain critical skills and knowledge across the national security community. **Work on a virtual National Security Academy has begun**, with departments agreeing to take a shared approach and cross-community training being developed in specific areas. It has held its first course on Full Spectrum Effects. Open to staff across government, the FCO Diplomatic Academy has launched a Security, Defence and Intelligence faculty, which will further develop knowledge and skills on international security.

Annex A: Principal Commitments from SDSR 2015

Green = In Progress / Ongoing

Blue = Complete

1	We will recruit and train over 1,900 additional security and intelligence staff across the agencies to respond to, and deter those behind, the increasing international terrorist, cyber and other global threats.
2	In NATO, we will lead a renewed focus on deterrence to address current and future threats.
3	We will enhance joint working between law enforcement agencies and the Royal Navy to increase patrolling in our territorial waters.
4	We will continue to meet the NATO target to invest 2% of GDP on defence.
5	We will spend around £178 billion over the next decade on equipment and equipment support.
6	We will develop a new Joint Force 2025
7	We will enhance the Armed Forces capability to work alongside the security and intelligence agencies to disrupt threats in the most challenging operating environments worldwide
8	We will develop proposals to ensure that the Armed Forces can operate effectively overseas and are not subject to unjustified legal claims that undermine their ability to do their job.
9	We will work with France to develop an Unmanned Combat Air System programme, and collaborate on complex weapons.
10	We are committed to maintaining the size of the regular Armed Forces and to not reduce the Regular Army below 82,000.
11	We will make the changes necessary to enable our Armed Forces to work flexibly, reflecting the realities of modern life.
12	We will make a new accommodation offer to help more Service personnel live in private accommodation and meet their aspirations for home ownership.
13	We will develop a new Armed Forces offer for new joiners, which better meets the expectations of future recruits and targets resources on those with the skills we need most.
14	We will continue to grow our Reserves to 35,000.
15	We will launch the first comprehensive families strategy for the Armed Forces
16	We will reduce the number of civilians employed by the MOD by almost 30%, to 41,000, by the end of this Parliament.
17	We will invest in key defence sites and reduce the built estate by 30%, releasing public sector land for 55,000 new homes to support wider prosperity objectives.
18	We will replace the Vanguard Class of nuclear-armed submarines with a new class of four submarines, currently known as Successor.
19	Working with industry, we will confirm and implement the organisational, managerial and contractual changes needed to deliver the Successor programme.
20	We will hold a debate in Parliament on the principle of Continuous At Sea Deterrence and our plans for Successor, and will continue to provide annual reports to Parliament.
21	We will update CONTEST in 2016 through a new National Security Council committee on Counter-Terrorism, chaired by the Prime Minister.
22	We will implement our new Counter-Extremism strategy.
23	We will increase the resources for the counter-terrorism police and the security and intelligence agencies to pursue terrorists.
24	In 2016, we will legislate to consolidate the investigatory powers that the public authorities require, with robust oversight, transparency and safeguards, and to ensure that the law keeps pace as communications technology advances.
25	We will provide significant new investment to enhance our Special Forces' Intelligence, Surveillance and Reconnaissance and global strike capability.

26	We will more than double our spending on aviation security around the world.
27	We will create a bigger and more capable global security and intelligence network to protect British citizens at home and abroad, and work with our partners.
28	We will increase our network of counter-terrorism and counter-extremism experts in the Middle East, North Africa, South Asia and Sub-Saharan Africa.
29	We will invest £1.9 billion over the next five years in protecting the UK from cyber attack and developing our sovereign capabilities in cyber space.
30	In 2016, we will publish a second five-year National Cyber Security Strategy.
31	We will launch a further five-year National Cyber Security Programme.
32	We will invest in capabilities to detect and analyse cyber threats, pre-empt attacks and track down those responsible.
33	We will develop a series of measures to defend ourselves against cyber attacks.
34	We will create a new National Cyber Centre to lead this response.
35	We will build a new secure, cross-government network to improve joint working on sensitive cyber issues.
36	We will help companies and the public to do more to protect their own data from cyber threats.
37	We will reinforce law enforcement's specialist capabilities; and we will work with industry to strengthen our ability to disrupt cyber crime.
38	We will create a new intelligence unit dedicated to tackling the criminal use of the 'dark web'.
39	We will continue our work to choke off the supply and availability of illegal firearms to prevent their use by criminal or terrorist groups in the UK.
40	We will introduce new measures to make the UK a more hostile place for those seeking to move, hide or use the proceeds of crime and corruption or to evade sanctions.
41	We will ensure that we have the right capabilities in the UK and overseas, and a comprehensive action plan, to better identify, disrupt and dismantle the criminal networks involved in modern slavery and immigration crime.
42	We will strengthen our approach to tackling online child sexual exploitation and abuse.
43	We will publish a national bio-security strategy in 2016.
44	We will make sure that the Government has the right regulatory framework to ensure that our CNI is resilient to future threats.
45	We will enhance the UK's resilience to power disruptions.
46	We intend to integrate infrastructure policing further and we will review options to do this.
47	We will publish a National Space Policy with a Ministerial committee to coordinate action on both prosperity and security.
48	We will extend deep country expertise to wider areas that are vital to our security and prosperity, including language ability in Mandarin and Arabic and we will extend expertise on Russia.
49	We will fund and administer approximately 2,200 awards a year for young people of high ability to study in the UK, through the Chevening, Marshall and Commonwealth scholarship schemes.
50	We will make defence engagement a funded, core MOD task for the first time.
51	We will establish British Defence Staffs in the Middle East, Asia Pacific and Africa in 2016.
52	We will increase the training we offer to our international partners.

53	We will continue to invest in the British Council.
54	We will invest £85 million each year by 2017/18 in the BBC's digital, TV and radio services around the world to build the global reach of the World Service and increase access to news and information.
55	We will strengthen the interoperability with the US of our Armed Forces so that they are better able to work together when required through regularly planning and training together.
56	We will work with the US to deliver more for global stability and our shared interests.
57	We will further strengthen the UK-France defence and security relationship.
58	We will work to intensify our security and defence relationship with Germany.
59	We will set out our vision of our future relationships with partners in the Gulf region in our new Gulf Strategy. We will build a permanent and more substantial UK military presence.
60	We will build a deeper partnership with China, working more closely together to address global challenges.
61	We will champion an EU-India Free Trade Agreement to help make it easier for UK companies to do business in India.
62	We will double the number of military personnel that we contribute to UN peacekeeping operations
63	We will work to build the inclusivity of International Financial Institutions' membership and decision-making, so they continue to command credibility and legitimacy in the eyes of their members.
64	We will review sanctions governance to ensure the best coordination of policy, implementation and enforcement.
65	We will campaign to increase the number of countries that have ratified the Arms Trade Treaty.
66	We will spend at least 50% of DFID's budget in fragile states and regions in every year of this Parliament.
67	We will increase the Conflict, Stability and Security Fund from £1 billion in 2015/16 to £1.3 billion by 2019/20.
68	We will double the existing Good Governance Fund to support economic and governance reforms in the eastern European neighbourhood to £40 million per year by the end of this Parliament.
69	We will increase UK climate finance for developing countries by at least 50%, rising to £5.8 billion over five years.
70	We will establish a new rapid response team of technical experts to deploy to help countries investigate and control disease outbreaks; and expand our Emergency Medical Team to provide medical assistance to help contain outbreaks when needed.
71	We are creating a Prosperity Fund of £1.3 billion over the next five years.
72	We will launch a defence innovation initiative.
73	We will create a new, cross-government Emerging Technology and Innovation Analysis Cell.
74	We will establish a defence and security accelerator for government to help the private sector, allies and academia turn ideas into innovative equipment and services faster for national security users.
75	We will encourage the creation and growth of a vibrant cyber security sector, including launching two innovation centres; supporting the best up-and-coming cyber SMEs and helping to commercialise research in universities.
76	We will develop initiatives for the MOD workforce, including apprenticeships, focused on science, technology, engineering and maths and entrepreneurial skills.
77	We will refresh our defence industrial policy and take further action to help the defence and security industries to grow and compete successfully.
78	We will publish a new national shipbuilding strategy in 2016.
79	We will take action to enable SMEs and non-traditional suppliers to bid for defence and security contracts more easily.

80	We will further enhance our support to the defence and security export sector.
81	We will spend £50 million to increase the number of cadet units in schools, bringing the total across the UK to 500 by 2020
82	We will train at least 50,000 apprentices in Defence between now and 2020.
83	We will speed up the provision of targeted training for those who wish to pursue careers in cyber security.
84	We will establish a new NSC committee to oversee implementation of this strategy. The Chancellor of the Duchy of Lancaster will chair it.
85	We will launch a review of how we support the NSC and COBR during crises.
86	We will review the structure for strategic assessment within central government.
87	We will establish new policy-making and delivery joint units in 2016.
88	We will establish a security and defence diversity network, sharing best practice and addressing our shared challenges, to drive development of a more diverse and inclusive national security community.
89	We will establish a virtual National Security Academy.

Annex B: SDSR Commitment Delivery Progress 2016

