



DEFENCE SUPPLIERS FORUM MAIN – 19th July 2023

Attendees:

| Name | Position |
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| Government | |
| Rt Hon Ben Wallace MP | Secretary of State for Defence |
| James Cartlidge MP | Minister for Defence Procurement |
| David Williams | MOD Permanent Secretary |
| Andy Start | Chief Executive Officer, DE&S |
| Andrew Forzani | Director General Commercial |
| Julie Brettell | Defence Commercial Supply Chain Director |
| Avril Jolliffe | Director General Industry, Trade and Economic Security |
| V Adm Paul Marshall | Director General Ships, DE&S |
| Richard Medland | Head of Security DE&S |
| Maj Gen Phillip Prosser | Director Joint Support, UK Strategic Command |
| Olivia Robbins | Defence Suppliers Forum PMO |
| Jack Holden | Defence Suppliers Forum PMO |
| Trudy Miller | Defence Suppliers Forum PMO |
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| Industry | |
| Charles Woodburn | Chief Executive Officer, BAE Systems |
| John Howie | Chief Corporate Affairs Officer, Babcock |
| Richard Franklin | Managing Director, Airbus Defence and Space UK |
| Steve Wadey | Chief Executive Officer, QinetiQ |

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| Jeffery Lewis | Chief Executive and Managing Director, Raytheon UK |
| Alex Cresswell | Chief Executive Officer, Thales |
| Tim Gibson | Vice President Defence and National Security, Fujitsu |
| Neil Skelland | Director, Atlas Elektronik |
| Paul Livingston | Chief Executive Officer, Lockheed Martin |
| Kevin Craven | Chief Executive Officer, ADS |
| Caroline Donaghy | Defence Director, ADS |
| Ben Carpenter-Merritt | Head Government Relations, Babcock |

Welcome and Introductory remarks

Rt Hon Ben Wallace MP, Secretary of State (SofS) Defence welcomed representatives from across MOD and Industry to the Defence Suppliers Forum Main meeting.

Charles Woodburn thanked SofS for his service and enduring support for the UK's Defence sector, and his steadfast commitment to Ukraine.

Strategic Messages

SofS introduced the [Defence Command Paper 2023 Refresh](#) following its release on 18 July 2023. Referencing the sector's current skills challenges, it was noted how Defence must continue to broaden its appeal to attract and retain people with the right skills and experience. We will progress towards a single Armed Forces' Act to maximise our talent across the whole force.

The Command Paper also highlights the need for faster acquisition processes that will accelerate delivery to the front line and boost exportability. Increased exports will maximise aggregate demand, improve industrial output, and support high-skilled UK jobs. The UK's position as a trusted and reliable provider of high-quality equipment and technologies remains strong, but there are opportunities to develop new partnerships and deliver even more.

Industry Challenges

Kevin Craven, Chief Executive Officer, ADS, (KC) outlined ongoing challenges relating to Environment, Social and Governance (ESG) investing criteria, with some investors increasingly reluctant to invest in defence, despite its vital role in protecting the UK and its allies, including Ukraine. KC explained that this is a particularly pressing issue for the sector's SMEs, with some unable to secure sufficient investment or banking services, threatening jobs and the continued delivery of equipment and components. SofS recognised there is work to be done regarding ESG and understood its impact on the defence sector.

The upcoming Defence and Security Equipment International event (DSEI) represents an important opportunity to showcase the value defence brings to the UK and educate investors and other stakeholders about the attractive investment opportunities offered by the sector's suppliers. The Minister for Defence Procurement and the Economic Secretary are also working closely to engage both defence companies and institutional and private investors on this subject.

Charles Woodburn noted industry were encouraged to see a recent reduction in inflation. John Howie explained despite some positive signs, inflation and associated challenges continue to pose several risks for defence, including implications for jobs and skills. The Defence Command Paper Refresh starts to address this with its aspiration to increase fluidity between the military, Civil Service, and industry by promoting 'zig-zag' careers.

There was a discussion on apprenticeships and the importance of developing new skills and specialisms without the need for university degrees. Paul Livingston explained that within the DSF People and Skills group discussions have taken place on apprenticeships and encouraging the use of UCAS as a platform for candidates to apply for vacancies seamlessly and simultaneously with several organisations, which was well received by industry.

It was also noted that there are still manufacturing capacity challenges globally, and this offers opportunities to increase partnering with our allies to overcome bottlenecks and ensure we ramp up production as outlined in the Defence Command Paper Refresh.

DSF Executive Group – Aims and Objectives

Andy Start (AS) explained that work has been undertaken to review and refresh the Executive Group deliverables in light of the developing strategic environment. Alongside this, the Executive Group Co-chairs have commissioned some work to consider the future support and structure of the DSF to maximise the value of all DSF workstreams.

John Howie (JH) recognised the need to maximise the investment, in terms of time, that members make to the DSF. The Executive Group has worked on new deliverables and developing a cohesive programme with clear objectives linked to wider defence strategic and policy objectives will help to achieve this.

Ukraine Recovery Programme

KC provided an overview of the Ukraine Recovery Conference (URC) which took place in London on 21-22 June. The URC represents the central forum for the international community to support Ukraine in its recovery and reconstruction efforts. Contributing to immediate recovery and longer-term reconstruction efforts in support of building Ukraine's prosperity is an essential component for a just and lasting peace.

SofS explained the five pillars within the Command Paper Refresh and thinking about what long-term support can be put into place. Ukraine's reconstruction needs will be immense and will require unprecedented collaboration between governments, the private sector, and international institutions.

Defence Command Paper

Reflecting on the Defence Command Paper Refresh publication, SofS highlighted how the UK's Defence sector has the opportunity to do things differently by adapting to emerging threats and to champion closer integration with our allies and partners. He highlighted the importance of learning from Ukraine and ensuring there is an increased focus on the areas that give us our strategic advantage.

SofS also noted the importance of the Defence sector's workforce adapting quickly, and therefore needing to respond appropriately with employment and skills interventions and support, including in novel areas like Artificial Intelligence (AI).