

Defence Procurement Minister speech at the Combined Naval Event

It's a pleasure to be here in Farnborough this morning for the Navy Leaders Combined Naval Event.

It's great to see so many attendees representing not just our NATO friends but friends in the Indo-Pacific and elsewhere around the world.

A great deal has changed in the global Defence environment since the last of these conferences in March 2020, held just as the world was heading into two long years of lockdowns and restrictions.

Indeed, since then we've seen international supply chains hampered by covid and rising costs; we've seen growing concerns around instability in the Indo-Pacific; and now of course, a barbaric war in Europe on a scale we thought had been consigned to the last century.

All the while, we have entered the next stage of the climate change battle, and the High North has become a region of state competition as melting ice exposes natural resources and makes the prospect of a north-western sea passage ever more likely.

But one thing that has not changed in the last two years, nor even in this last 2,000 years, is our dependence on the seas.

Even in the digital age, some 95 per cent of UK trade by volume and 90 per cent by value is carried by sea.

While 97 per cent of global data and trade worth \$10 trillion a day travels via cables under the ocean.

The Russian blockade in the Black Sea, which has suffocated Ukraine's maritime trade, only underlines the strategic importance of maritime control.

So, as we contemplate the future of the Navy over the course of this conference, there are in my view two inescapable truths about our current situation.

The first is that all our nations, wherever they are in the world, face a new set of deeply complex and evolving challenges, challenges not seen since the end of the Cold War.

And the second is that our Navies need to be part of that solution.

One need only look at our response to Russia's invasion of Ukraine to see how frigates and destroyers are helping to shore up security in the eastern Mediterranean.

Our Integrated Review and Defence Command Paper may have been published into

a more peaceful Europe last spring, but they nonetheless recognised the importance of the Royal Navy in the 21st century.

That's why they outlined plans to modernise the force with a raft of new cutting-edge capabilities, backed up by a first-class industrial base.

We want to make our Navy more agile and responsive, more persistently deployed in key regions and more interoperable with our allies. In other words, even more effective.

The good news is that we've got £38 billion over the next ten years to truly make our vision for the Navy a reality, thanks to a £7.5 billion increase in the latest equipment plan.

The even better news is that we've already made great progress on some major projects.

I was in Barrow just two weeks ago to kick off the third, critical phase of the Dreadnought delivery programme, which will see the first of the boats begin sea trials.

Now is a time when we truly recognise the value of an independent sovereign deterrent doing its job 24 hours a day, 365 days a year. And it is deeply reassuring to know that progress on the success of the Vanguard class continues apace.

At 150m long and able to operate in the most hostile environments, these four submarines will be both the largest and most complex ever built for the Royal Navy.

Joining them will be our seven new astute class attack submarines, automated minehunters designed to detect and destroy deadly sea mines in shipping lanes, as well as an increased number of frigates and destroyers, and a renewed Fleet Solid Support.

I'm also delighted to announce that today we will be joining a tri-national agreement together with France and Italy that will enable us to upgrade missile defences on our Type-45 destroyers.

The upgrade, worth over £300 million, will enable the UK to become the first European country to operate a maritime ballistic missile defence capability, helping our Royal Navy to counter the threat of anti-ship ballistic missiles at sea.

But to continue to produce the kind of capabilities that turn heads the world over, we know we need a vibrant shipbuilding industry.

That, of course, demands a whole of government approach which goes beyond the Navy to commercial and other vessels too.

That's why the Prime Minister appointed the Defence Secretary as the Shipbuilding Tsar in 2019; that's why last September we launched the National Shipbuilding Office which is now driving transformative change; and that's

also why, in March this year, I stood at the dispatch box in the House of Commons and announced a refreshed National Shipbuilding Strategy.

Drawing on the multi-talented skills of industry and academia and backed up by more than £4 billion of investment over the next three years, the strategy is the framework for our future maritime success.

At its heart is a 30-year shipbuilding pipeline of more than 150 vessels – offering a clear demand signal about our future requirements.

We know a regular drumbeat of design and manufacturing work is vital, not just to maintain our critical national security capabilities, but to drive the efficiencies that reduce longer-term cost.

But we're not just giving suppliers confidence in industry order books, we are going to give them greater clarity about our requirements too by setting out policy and technology priorities, so they can invest and upskill.

Which brings me on to my next point. Everyone in this room knows that building a ship is no longer really about hammering two lumps of metal together.

And while I am no engineer, I know from meeting apprentices at Barrow, Rosyth and Clyde about the degree of technological sophistication required in modern shipbuilding.

That's why it is crucial we have the skills base onshore, as well as the international partnerships, that enable us to maintain and develop the next generation of these platforms.

While in Barrow I saw first-hand the great work being done at BAE Systems' Submarines Academy for Skills and Knowledge – which is training more than 1,000 apprentices and graduates with a further 400 set to join this year.

I know Babcock and other firms are also supporting thousands of apprentices across the country, often blending on-the-job training with formal education, but I still believe this is an area where industry can do even more.

And this Government's desire to develop advanced skills and push innovation boundaries is backed up by £6.6 billion in ring-fenced funding for research and development across Defence.

The Navy is also the first Service to appoint a Chief Technology Officer, to work with industry, getting this game-changing kit to the front line more quickly.

And then there is NavyX, the Royal Navy's Autonomy and Lethality Accelerator, which is developing, testing and trialling cutting-edge equipment.

But in the age of complex maritime threats, with increasing demands on budgets, the fact is that no Navy can go it alone.

It is therefore critical that we work with trusted friends to enhance

interoperability, make the most of precious resources and strengthen our combined resilience.

That's why our two mighty aircraft carriers – may have been built across six historic British yards – but still have international cooperation at their heart.

Indeed, the Queen Elizabeth was flanked by jets and ships from the United States and European allies from the Indo-Pacific on its maiden mission last year.

And I hosted NATO ambassadors on board as it passed through the Mediterranean on the way home, where we discussed the many benefits of continued cooperation.

HMS Prince of Wales has been made NATO's official floating command platform, already spearheading a 28-nation task force on Exercise Cold Response to test NATO's responsiveness in the High North.

We're also upping our industrial collaboration. Our AUKUS nuclear-powered submarine partnership with the United States and Australia is of course the most high-profile example but it is not the only area where the UK is showing itself a willing and productive international partner.

We're also working closely with Canada and Australia on the next-generation Global Combat Ship.

The workhorse of the fleet, the Type-26 frigate will conduct advanced warfighting, maritime security and international engagements anywhere in the world.

And I'm delighted by progress also being made by our new Type-31 frigates including in Poland and Indonesia. Type-31 are the most flexible and versatile vessels in our future fleet, I'm sure other nations will be wanting to join the club.

So that's what we are doing to support our maritime power through an enhanced shipbuilding sector.

But I'm also looking to everyone from industry to focus even more on innovation, resilience and developing skills as we come together on these ambitious plans.

And if we can do that, ten years from now we'll have an even more effective Navy with some of the most technologically advanced vessels on the planet.

We'll have dreadnought submarines constantly deployed under the waves, safeguarding us from the most extreme threats to our way of life.

And we'll also have a booming industrial sector, from Appledore to Rosyth, along with a reinvigorated skills base, a more productive supply chain, and stronger partnerships with our great allies and friends across the world.

I want to finish by reflecting on the fact that we meet on the 40th anniversary of the Falklands war, when our Navy travelled 8,000 miles to protect the sovereignty and freedom of the islanders.

In that moment we saw just how effective our maritime forces can be, and while the challenges have evolved, I'm confident that with everyone in this room on board, we'll have the power and the presence to face up to the maritime threats of the 21st century and indeed succeed once again.