

Speech

Lord Coaker DSEI 2025 Opening Keynote Speech

Lord Coaker delivers the opening keynote to commence the latest edition of DSEI.

From: **Ministry of Defence** (</government/organisations/ministry-of-defence>) and **Lord Coaker** (</government/people/lord-coaker>)

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Thank you for that warm welcome and welcome to all of you here this morning.

Thank you to everyone who has been involved in putting DSEI 2025 together, both from Grant's team and from each of the exhibitors for bringing such an impressive showcase of defence technology to our capital.

We come together as a sector buoyed by a huge vote of confidence, with the Norwegian government's decision just last week to place an order for at least five UK-made Type 26 frigates.

Providing a boost for their anti-submarine warfare capabilities, a boost for our shared security in the North Sea, and a £10 billion boost for ship building on the Clyde, for UK jobs and for our economy, just one of our success stories that all of you are contributing to.

Could I take this opportunity to thank Maria Eagle MP, as the former Procurement Minister for all of her work.

I know our defence industries underpin our armed forces. They underpin our national security, but also they are underpinned by many families and communities up and down the country, and we thank them as well.

And we thank all of our international friends and colleagues here as well. And if you look at the number of capabilities on display this week that are passing important milestones here at DSEI, you'll quickly realize how each is also a giant of our regional economies across the UK.

On the MBDA stand, you'll find the first public display of the British-led European collaboration, next-generation stealth cruise missiles developed in Stevenage, Filton and Bolton.

General Dynamics are unveiling their much anticipated infantry fighting vehicle variant of Ajax, made in Merthyr. A vehicle program that has overcome its earlier hurdles to become a prized asset of the British army. Also on display here is the Patria six by six.

And I'm also delighted to confirm that the UK will be joining the Common Armoured Vehicle Systems Technical Agreement to broaden our understanding and options.

So as Minister, I will do everything I can to back British-based defence businesses to ensure more regions and more workers prosper from this golden era of defence spending here in the UK and across Europe and the globe.

I'd like to highlight some of the things that we have done in a short time.

The biggest increase in defence spending for generations.

A Strategic Defence Review that puts our armed forces on an accelerated path to war fighting readiness, with multimillion pounds worth of investments in drones AI

and autonomy and a broadened nuclear capability.

We've delivered the UK's largest ever package of support for Ukraine, strengthened NATO and all of our key alliances and partnerships.

And we've delivered on our promise to rewrite the contract between the public and those that serve. Investing £7 billion in Armed Forces accommodation during this parliament and delivering the biggest uplift in Armed Forces pay for decades.

Establishing the Office of Veterans Affairs and establishing the new Armed Forces Commissioner tasked in law to be a truly independent voice for our service personnel and their families, and unveiling our Defense Industrial Strategy.

I am proud of the progress we made to make our forces fit for all domain warfare, proud to be improving conditions for our service personnel and their families.

And because our armed forces are only as strong as the supply lines and defence industries that stand behind them, yesterday, we were proud to present our Defence Industrial Strategy to Parliament.

Delivering on a manifesto commitment with a Strategy that cements a new partnership with industry built on reform, innovation and growth. That will ensure the defence dividend from our government's record defence investment is felt by communities across the UK through new jobs and rising incomes.

Our Defence Industrial Strategy is a blueprint for a sector that does not just sell to government, but develops and delivers capabilities in partnership with government.

A sector with increased capability and capacity and the ability to surge that capacity. A sector with resilient supply chains at the cutting edge of defence technology that innovates faster and exports more, sustained by a pipeline of skilled, homegrown talent.

This vision is not just a bold ambition. In our increasingly dangerous world, it is a national security imperative necessary to develop the enhanced security that we committed to deliver in our Strategic Defence Review.

And when I call it 'our' defence strategy, I don't just mean the government's, I mean all of ours. Because it was shaped by the sector, shaped by many of you, including businesses, both big and small, who took part in 40 consultation sessions with ministers and senior officials and submitted over 200 written responses.

A key commitment in this Strategy is to continue that conversation as we work together to attract investment, foster innovation and to grow exports.

And we are already delivering on our strategy, with that growing defence budget

and real reforms as the biggest shake up of the MOD in over 50 years.

We brought proper accountability to defence procurement by creating the role of the National Armaments Director.

And we are putting a new emphasis on early industry engagement, bringing transparency to the Acquisition Pipeline with the five-year forecast of planned programs.

Scaling up wargaming between military planners and the UK defence industry and opening a new Office of Defence Exports within the MOD to support British industry to go out and win on the international stage and to deliver more government to government export deals.

We've committed to halving procurement timescales. With a maximum five years for equipment programs and three years for digital.

We are committed to more than halving the regulatory burden on the sector and reviewing export licensing policies so that we continue to meet our international obligations whilst better enabling our companies to pursue export opportunities.

To accelerate the development of advanced defence technologies we've launched our UK Defence Innovation with a £400 million budget.

As we invest more than £4 billion in autonomous systems this parliament, and nearly an additional billion in directed energy weapons, with a ring fenced 10% of our procurement budget earmarked for developing novel technologies.

To help spread the benefits of that investment in innovation across the sector, we are launching a dedicated defence Office for Small Business Growth, and have raised our SME spending target by 50%. That means that the MOD is to spend £7.5 billion with SMEs by 2028.

And having asked taxpayers across the country to back our Armed Forces as we raise defence spending to 2.6% of GDP by 2027 and a target of 3.5% by 2035 alongside our NATO allies.

It is right that British people should see the benefits from that increased investment. Not just in increased security, but also in the form of increased opportunities in their communities.

And that is what our Defence Industrial Strategy gives them. A government guaranteed to back British-based industry, British innovation and British jobs.

We've ring fenced a new annual £11 billion 'Invest' budget, and tasked our National Armaments Director with the twin objectives of equipping our frontline forces whilst

also growing the UK's defence industrial base. Creating a clear incentive for international defence partners to invest in the UK.

An incentive to follow foreign investors like Tekever and Rheinmetall, whose new facilities in West Wales and Telford are part of the £1.4 billion of Foreign Direct Investment into the UK defence sector since July 2024, which has created up to 1,700 new jobs.

And to embed our new defence industrial revolution across our regions and nations, yesterday I unveiled an initial five Defence Growth Deals. Investing £250 million into five vibrant regional defence ecosystems to make them fit for the future, equipped to thrive in the rapidly evolving world of 21st century defence innovation.

Five Defence Growth Deals that will act as a magnet for investment, an incubator of skills and a pipeline of opportunity and employment across our nations and regions.

Bolstering our industrial base, support of the UK Armed Forces and deliver jobs as part of the government's Plan for Change.

We have already unveiled the first two locations.

One is in Plymouth, home of the largest naval base in Europe, where we are working with local government, colleges and businesses to seal the city's status as a pioneering centre of maritime excellence in our new age of autonomy and AI.

And one in South Yorkshire in and around the Steel City that will safeguard that region's traditional status as a pioneering centre of high grade defence materials and components and to further boost defence innovation and collaboration in every corner of the UK.

And so I'm pleased to announce here today that UK Defence Innovation will be unveiling the details of our new regional defence and security clusters.

An investment of around £1.5 million over the next two years to bring our world leading primes together with our innovative SMEs and startups, alongside academics and local and devolved governments to solve the military capability challenges we face and monetise those solutions where it's in our security interest to do so.

And to ensure our people are equipped with the skills that they need to both drive our new defence industrial revolution and thrive themselves within it.

We are investing £182 million in defence skills, included with the five new Defence Technical Excellence Colleges.

And as we've seen over the years, from radar and the jet engine to encryption and the internet, defence innovation also often revolutionizes civilian life and finds much bigger markets as a consequence.

So from the drones being developed in Plymouth to the semiconductors in South Wales, we are focusing on technologies where defence innovation can drive broader economic benefits.

Today, I'm pleased to announce that DASA, our defence innovation accelerator, is unveiling the details of that £1.5 million in new funding for UK innovators to develop new ways to manage bleeding that cannot be stopped by applying direct pressure. So we can save more lives on the battlefield and on top of that, many more lives in the community and around the world.

And to provide further investment for dual innovations like this, the government will introduce new legislation within the scope of the National Wealth Fund to support defence and security, as well as other high-growth potential sectors contained in our Modern Industrial Strategy.

Taken together, the defence spending commitments set out by the Prime Minister, the capability commitments set out in our Strategic Defence Review and the commitments to industry set out in our new Defence Industrial Strategy make the UK the best place in the world to start and grow a defence business.

A kingdom united behind its Armed Forces, where the government is also backing the UK-based businesses and industries that stand behind them.

A country integrated with big spending in NATO, AUKUS and our GCAP allies, a government listening to industry and working with industry.

Working together, we can do better.

We cannot deliver these objectives without the support of all of you and the strength of the partnership that we have with industry to deliver the capabilities we need to defend our democracy and the things that we stand for.

So we will slash red tape. We will invest in skills. Fuel innovation at wartime speed, so that urgent operational requirements can be undertaken in normal times. Grow exports and onshore defence jobs.

We are serious about defence and serious about turning defence into that engine for growth so that every region of the UK can benefit from rising spending here and across the globe.

So whether you're a partner country, a partner in industry, an investor or a potential partner, we want to work with you to turn UK defence into an industrial superpower

by 2035.

In our increasingly dangerous world that's a win for our security, a win for our prosperity, a win for our values, and a win commercially.

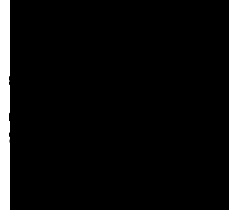
So use DSEI 2025 to get involved and to move forward. Together, we can do this.

Thank you very much for your time.

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