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**24 February 2025**

**BritishAmerican Business Response to the Ministry of Defence Statement of Intent for a UK Defence Industrial Strategy**

We are writing on behalf of the members of BritishAmerican Business, to provide a contribution to the drafting of the Defence Industrial Strategy, which will set out how the UK will align its security and economic priorities. This is in response to the call for views set out by the Ministry of Defence (MoD).

BritishAmerican Business (BAB) is the leading US-UK transatlantic trade association, incorporating the British-American Chamber of Commerce in the US and the American Chamber of Commerce in the UK. We are committed to strengthening the economic corridor between the US and the UK, and support policies and actions that enhance the environment for transatlantic trade and investment on behalf of our 470+ members.

We are proud to be recognised as one of the UK government’s most trusted industry partners. We support the UK’s economic and trade portfolio through regular interventions and by participating in government events and initiatives. Our work is informed by our wide, sector inclusive, membership, and this submission is supported through our Aerospace & Defence Policy Sub-Committee, incorporating the US defence primes as an *integral contributor to UK economic growth*.

In early February 2025, BAB published a White Paper on “***The Unique Role of US-Owned Companies in the UK’s Defence Industrial Base***” and facilitated a discussion with Maria Eagle, MoD’s Minister of Defence Procurement and Avril Jolliffe, Director General for Industry, Trade and Economic Security, alongside key industry leaders and government representatives to highlight the interconnected nature of the US and UK defence systems, addressing modern security challenges and advancing shared strategic goals. Our members noted the benefits of deepened collaboration,

interoperability, integrating supply chains, and the transformation of the UK's skills base.

*As you will find attached to this letter,* the six priorities outlined in the UK Defence Industrial Strategy are closely connected to the twelve core recommendations our paper puts forward in reference to US-UK defence collaboration. We recognise the alignment of defence and the modern Industrial Strategy,

Our paper outlines the following twelve recommendations that should be prioritised within the development of the Defence Industrial Strategy:

1. **Prioritise interoperability and interchangeability:** Focus procurement and development efforts on interoperable systems that enhance export success, operational alignment with allies, and global competitiveness.
2. **Embed resilience in strategy:** Incorporate stockpile integration and resource dispersal into defence planning to mitigate supply chain vulnerabilities and strengthen collective security.
3. **Maximise AUKUS potential:** Build on momentum of initiatives like ITAR exemptions by implementing dedicated trilateral funding to foster innovation and sustain collaboration in advanced defence technologies.
4. **Promote the positive economic impact:** The Defence Industrial Strategy should recognise the economic and industrial contributions of US-headquartered companies to the UK, including their role in giving the UK defence sector access and scale to global programmes of record.
5. **Strengthen US-UK industry engagement:** Establish formalised structures and mechanisms to deepen US-UK collaboration and align strategies for future priorities.
6. **Invest in skills transfer and workforce development:** Prioritise skills transfer and workforce development within US-UK defence collaboration to meet the growing demand for specialised talent and sustain a competitive, future-ready workforce.

By incorporating these recommendations, the UK Government can develop a comprehensive new Defence Industrial Strategy that supports UK strength and growth opportunities in the long-term. It will also signal confidence to US investors across the UK defence sector.

We appreciate the opportunity to provide our views and input into this Statement of Intent and look forward to working as an industry partner to provide input into the upcoming Defence Industrial Strategy.

Yours sincerely,

A handwritten signature in blue ink that reads "Duncan Edwards". The signature is written in a cursive style with a small flourish at the end.

Duncan Edwards OBE  
Chief Executive Officer  
BritishAmerican Business

A handwritten signature in blue ink that reads "Emanuel Adam". The signature is written in a cursive style with a long horizontal stroke at the end.

Emanuel Adam  
Chief Policy and Trade Officer  
BritishAmerican Business