



“As the UK MoD awaits the response of the 2017 Defence and Security review, it’s budget continues to face severe challenges as the Navy brings the two new aircraft carriers into service whilst also having to fund the replacement of our nuclear deterrent, the Successor programme. The global Defence market remains strong however with increased demand from the Middle East.”

Nick Parker, Operations Director

Defence overview & outlook

Winter 2017



Defence overview



Defence Minister Harriett Baldwin recently visited Australia to discuss equipment concerns. The **Type 26 Global Combat Ship** is an advanced anti-submarine warfare frigate, designed to safeguard a new complement of aircraft carriers and has been shortlisted for Australia's Future Frigate programme.

Previously, BAE Systems awarded a further **15 manufacturing contracts** in support of the Type 26 programme, two of which went to Australian contractors.

"From the First World War to defeating Daesh in the Middle East right now, the UK and Australia continue to fight side-by-side for the values we both share," commented Minister Baldwin.

With **£8.6 billion** worth of goods and services sold in 2015, Australia is now the **UK's 13th largest export market** while the UK has become Australia's 5th biggest export destination – a relationship valued at almost **\$15 Billion** in 2016.

The Government has announced the appointment of Gavin Williamson as Secretary of State for Defence.

Lockheed Martin has been awarded **\$26m** by the US government's Air Force Research Lab (AFRL) to develop a high-power fibre laser that will be tested on a fighter jet by 2021.

It is part of AFRL's SHIELD program, which is developing all of the technologies required to install and operate a high energy laser weapon on an aircraft.

Lockheed's portion of the project, known as LANCE (Laser Advancements for Next-generation Compact Environments) will see the development a high-power fibre laser that will disable targets.



Defence outlook



More than half of UK Defence companies are expecting to grow by **10%** or more in the next 12 months.

The key drivers of growth include growth of existing business (**70%**), new export opportunities (**62%**) and growth of UK opportunities (**43%**).

The uncertain economic environment in the UK (**36%**), together with the decline in spend by existing customers (**35%**) were cited as the greatest barriers to growth.

A strong domestic market and a strategic approach to public procurement are essential for the UK's continued success in highly competitive markets.

The UK is increasing its commitment to European security as the Defence secretary announces a package of support for our allies.

Speaking at the NATO Defence Ministerial in Brussels, Defence Secretary Gavin Williamson said the UK will commit four RAF Typhoons to the Southern Air Policing mission in Romania next summer.

"In the face of an increasingly assertive Russia, the UK has significantly stepped up its commitment to Europe and today I can confirm a further package of support, showing how we remain at the forefront on European security. We are standing by our allies across air; deploying Typhoons to Southern Air Policing in Romania, land; increasing our support to the Kosovo peacekeeping operation, and sea; with HMS Ocean returning to the NATO Standing Maritime Group."



*Gavin Williamson, Secretary of State for Defence,
Sept 2017*





Carbon60 is a specialist in providing flexible and cost effective engineering and technical recruitment solutions on an international scale. We work in partnership through a combination of recruitment, managed services and outsourced projects to help connect the best industry professionals and teams to dynamic businesses across aviation, construction, defence, engineering and technology.

Contact us

01329 227048

