



Ministry  
of Defence

JAMES HEAPPEY MP  
MINISTER FOR THE ARMED FORCES

MINISTRY OF DEFENCE  
FLOOR 5, ZONE B, MAIN BUILDING  
WHITEHALL LONDON SW1A 2HB

Telephone 020 7218 9000 (Switchboard)

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Dear Tobias,

Thank you for your letter dated 21 July 2020. As you know, the US is our most important bilateral defence and security partner; and our Armies have become highly interoperable through years of working alongside one another. The return to great power competition, and a reduction in the pace of operations between our two Armies, demands a more conscious and methodical effort to maintain those priceless connections when it is in our interests (mutual and/or national) to do so.

Reflecting this challenge, the non-binding joint UK-US Modernisation Agreement (MOA) aims to set a broad course to both Armies to explore modernisation efforts and leverage access to considerable US research and experimentation resources. It simply adds shape and bearing to existing work. Clearly, the Integrated Review will address some of the same challenges.

As I made clear to Secretary McCarthy in our meeting, as well as in the public RUSI event afterwards, Governments on both sides of the Atlantic are keenly pursuing opportunities for our own prosperity and job creation. I have signed this MOA to develop concepts and technology – not to purchase US kit at the expense of UK industry.

More specifically, in answer to your questions in turn:

1. The Department would not typically need to engage Whitehall on this type of routine agreement with our principal defence and security partner. However, this agreement is in line with current Government policy on our bilateral relationship with the US, including our cooperation on next generation capabilities and technologies, and consistent with the direction of travel of the Integrated Review. The Department did seek and secure approval from No 10.
2. The Department regularly engages with industry and listens closely to their views. Given this agreement does not specify requirements, we did not engage specifically with industry for this MOA.

The Rt Hon Tobias Ellwood MP  
Chair, House of Commons Defence Committee  
House of Commons  
London  
SW1A 0AA

3. The Agreement is consistent with current modernisation collaboration efforts already planned between both Armies and will focus on:
  - Networks – the shared development of digital infrastructure which is fundamental to the interoperability of data exchange to support UK/US operations;
  - Long Range Precision Fires – early access to the US Long Range Precision Fires programme will provide the UK with the opportunity to understand a major US equipment project (and an acknowledged vulnerability) without making a commitment and open up opportunities for UK prosperity on collaborative development;
  - Future Vertical Lift – to share and understand each nation’s conceptual thinking for the development and application of Rotary Wing Capability;
  - Soldier and Ground Lethality – building on the existing collaboration to improve the effectiveness of our Land forces; and
  - Assured Positioning, Navigation and Timing (APNT) – providing greater coherence in the development of Multi-Domain technologies.
4. The MOA aims to set direction to both Armies to explore modernisation efforts. It is the setting of a bearing and not the description of a destination; neither nation has committed to any specific capability development within the MOA which would be subject to internal governance, such as the International Capability Steering Board and the Investment Approval Committee.
5. As mentioned in response to Q3, the MOA is consistent with current modernisation collaboration efforts and will look to focus on the five capabilities. In practice, our regular UK-US Army Staff Talks will aim to deliver against this MOA. Alongside this, the following events aim to cohere modernisation efforts; a Project Convergence Demonstration, a General Officer Round Table (annually) and CGS’ frequent engagements with the US Army Senior Leadership. The MOA will also have to remain consistent with the UK/US Next Generation Capability Cooperation initiative and departmental governance of international cooperation by the International Capability Steering Board. For my part, I intend to engage regularly with Secretary McCarthy to monitor progress.
6. As set out above, this MOA formalises our existing relationship between our two Armies, which have a long and successful history of partnership for mutual benefit. It acts as a framework for further discussions, rather than committing the UK to a set plan. We will be assessing all opportunities for co-development and wider collaboration. We will be conducting further work to understand the specific co-development opportunities for UK industry within each of these capability areas and we are keen to engage industry in that process.

7. Further down the line there will be opportunities for UK industry, which has exceptional expertise to offer to both our Armies. It does not preclude co-development of these capabilities through other routes of collaboration with international partners, such as through NATO.
8. Ensuring the UK has competitive, innovative and world-class defence and security industries, which drive investment and prosperity and underpin national security, both now and in the future, is of vital importance to this Government. That is why we launched the Defence and Security Industrial Strategy which is considering our approach to the UK's industrial and technology base, including: skills, security of supply and our approach to international research, capability and industrial cooperation.
9. I could not be, nor have been, any clearer that this is absolutely not about the UK purchasing US kit. The UK and US, and indeed other allies, should work collaboratively to support each other in addressing capability gaps and participate in developing the capabilities for great power competition early.

We look forward to collaborating further on modernisation with our principal defence partner and I would of course be happy to update you further.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'J. Heappey', with a long horizontal stroke extending to the right.

**JAMES HEAPPEY MP**