From Strength to Strength

Delivering security and prosperity through international capacity development
The UK has defined international capacity development in security and resilience as being a core component of national power. To meet its ambition and to scale-up delivery, the government should consider how best to leverage the capability of UK Industry.

Introduction

The UK’s expertise in security and resilience is widely seen as world-class, and a key asset to bring to bear in its “Global Britain” agenda post-Covid and post-EU-Exit. Assisting partner nations in building their security and resilience capacity can be a vital tool for the UK to promote its influence, expand its trade, and protect its own security and that of its allies.

This is recognised in the UK Government’s (HMG) 2019 UK Security Export Strategy1 where commitment to “help bring the expertise of the UK security sector to a global audience supporting them to win work and thrive overseas”, sits alongside the view of Industry playing a key role in “combating complex threats with our international partners and working with them to ensure they have the capabilities they need to keep their citizens safe”.

However, there has been little public discussion on this joint opportunity. Commentary on this topic, for example in response to the Integrated Review2 published by HMG in March 2021, often focuses either on public sector actors in defence and security policy or on the importance of trade deals to enable exports by industry. More rarely does it consider exactly how the roles of the public and private sectors interrelate.

In this white paper we discuss specifically how HMG and Industry can work together to help deliver both security and prosperity through international capacity development.
The opportunity

As the United Kingdom moves forwards into a post-Pandemic, post EU-Exit world, our government and industries must establish new relationships with other nations, both economically and politically.

A part of this process involves evaluating, realistically, where the UK’s strengths lie, and what role it can play on the world stage. A recent Chatham House paper has argued that Britain should focus on its strengths, selecting some critical topics on which it can act as a broker of solutions to global challenges – including the promotion of international security and defending cyberspace. From BAE Systems’ extensive experience in these areas, we recognise that these are markets in which UK industry has world-renowned expertise, and in this white paper we outline how it could be utilised in concert with government to achieve even greater effect.

Demand for this expertise remains strong: during the pandemic the world changed, bringing new security threats into focus, alongside familiar ones. For many nations, the post-pandemic era will have to include revitalising and strengthening core areas of their national security and resilience capabilities, including border security, cyber security and policing, to mention but a few.

However, unlike the UK, many countries lack the funds, skills or expertise to meet their security and resilience needs. This can represent an opportunity for the UK to step forward and volunteer its resources, thus fulfilling a moral duty to help create a safer world, as well as sowing the seeds of greater influence abroad.

In addition HMG recognises that security, trade and foreign policy objectives can mutually reinforce one another within the agenda for Global Britain. Through international development spending, HMG can not only improve security and resilience for partner countries, but also create new markets and openings for UK businesses.

Specifically, we argue that more effectively utilising UK Industry in supporting HMG’s security and resilience capability delivery could also increase the benefits to UK prosperity from future commercial exports.
Building from a position of strength

Competition between states will be fierce over the coming years, but there are still several factors that will continue to attract other nations to work with the UK. These include:

1. **International influence.** The UK continues to play a leading role on the world stage and the Integrated Review reaffirms a commitment to shaping the future rules-based international order. The UK retains its permanent seat on the UN Security Council and remains deeply committed to multilateralism through membership of the G7, G20, NATO, the Commonwealth, OSCE and the FiveEyes intelligence alliance. It has a wide range of other bilateral and multilateral defence and security agreements, underpinned by a network of 281 overseas diplomatic posts.

2. **World-renowned intelligence and security capabilities.** The UK is recognised as punching above its weight in many areas of intelligence and security. It is consistently ranked in the top three nations for “cyber power”, it is the third largest global exporter in the security sector and its intelligence and security agencies are well-funded and well-regarded for their capabilities in counter-terrorism and other missions. In policing, the UK has long been a model for a particular style of law enforcement, embodying policing by consent and proportionate use of force. In all these areas, UK best practice and processes have been successfully exported for many years, made easier by the fact that English is spoken so widely around the world.

3. **Leadership in international development.** The UK has been the world's third-largest purveyor of official development assistance (ODA), and will remain a major donor despite the temporary cut in budgets to 0.5 per cent of Gross National Income (GNI). The UK is committed to the global fight against poverty and to achieving the UN's Sustainable Development Goals by 2030 and has stated in the Integrated Review that it intends to focus aid work where it will have the greatest long term impact. In particular the government is seeking to combine UK diplomacy and aid with trade, working with partners to adapt our offers. The merger of the Department for International Development into the Foreign, Commonwealth and Development Office is intended to support this new integrated approach by bringing diplomatic and development expertise and policy together.

4. **Experienced and capable companies.** Underpinning the UK’s strengths in security and resilience is a mature industry sector, made up of thousands of companies, which has developed its capabilities working for demanding and well-informed customers within HMG. The sector covers a panoply of products and services for first responders, border security, critical national infrastructure, cyber security and more. The UK is also a leading centre for research and development; there is strong collaboration between government and the security industry that drives innovation and the security and resilience industry is at the forefront of developing solutions to complex, ever evolving security threats. Furthermore, many companies employ ex-UK government experts in this capacity and there is increasing sector experience of delivering internationally, with UK security sector exports amounting to over £7.2bn in 2019.

5. **A collaborative and enabling approach.** The UK has a track record of working in collaboration with partner nations. Other powers may be generous in the defence and security capacity and capability they offer, but it might come with caveats. In particular, it may be a ‘black box’ solution, delivering a much-needed outcome, but with a potential cost of sharing citizens’ data, or becoming dependent on the donor in the manner of a client state. Instead, the UK’s approach is, and should remain, much more collaborative and enabling – providing the tools for partners to build their own sovereign capabilities, and not seeking access to, or control of, the data and systems involved.
In summary, the UK has capability and expertise to offer, and the means to deliver it – through its international influence, overseas development experience, capable industry, and collaborative approach. The Integrated Review recognises these strengths, outlines a vision for Global Britain for the next decade and proposes more cohesive approaches to support effective policy making and implementation. Nonetheless, in our view there is more that could be done to capitalise on this to best effect, by ensuring that government and industry work effectively together.
Maximising the UK’s impact

In March 2021 HMG published its long-awaited Integrated Review of Security, Defence, Development and Foreign Policy, which describes the government’s vision for the UK’s role in the world over the next decade and introduces a strategic framework consisting of four overarching national security and international policy objectives to meet this ambition.

The Integrated Review was accompanied by the Defence and Security Industrial Strategy, which includes, amongst many other initiatives, the ambition to make greater use of G2G agreements to boost exports and help deliver both prosperity and security policy objectives.

International capacity development in security and resilience presents significant opportunities to support the government’s vision, particularly in support of the two strategic framework objectives to strengthen security and defence and to build resilience, at home and overseas. There is also opportunity to transform the export support given to small to medium size enterprises (SMEs) in the security sector and thereby promote UK prosperity at the same time.

We have identified a number of considerations that could help the UK maximise its impact from security and resilience capacity development:

Provide a holistic capacity-development offer. International capacity development has often focused on Technical Assistance, frequently in the form of supplying knowledgeable advisors or specialist training. However, in the modern security landscape, whether in counter-terrorism, border security or cyber defence, nations must now be able to understand and exploit an explosion of data related to their citizens and adversaries. As well as training and development of effective government institutions, this requires expertise in the latest technology and engineering. In both government and industry, the UK has proven expertise in delivering large-scale, world-renowned technology solutions for the security mission – these capabilities should be at the forefront of the UK’s offer to its partners, alongside training and advice. This could involve HMG funding the implementation of technology solutions for partner nations, but could equally involve building high-tech industry capacity overseas through knowledge transfer programmes, or the controlled export of more sensitive UK-developed technology to trusted partners. Considering these broader aspects of capacity-development will enable HMG to offer more holistic security and resilience solutions that aim to meet its partners’ needs in a rapidly changing technological environment.

Accelerate the delivery of benefits to UK security. A major benefit of HMG’s security and resilience programmes is to build up the capability of certain partners to collaborate, as peers, with UK agencies. Security and resilience capacity development projects should therefore not only consider how to increase the capacity and capability of the partner, but also whether to build in inter-operability and compatibility with UK agencies from the early stages. This is particularly important where programmes include substantial technology and data elements, as retro-fitting compatibility between different data-intensive systems is much more expensive and time-consuming than designing it in from day one. An example of planning for future inter-operability would be the early adoption of common data models and analytics, to improve the effectiveness of bilateral intelligence-sharing at a later date.
Enabling more SMEs to contribute and benefit from security and resilience capacity development. The security and resilience sector, especially in regards to international capacity development, is primarily comprised of thousands of SMEs. Although individually small, often with limited resources, these SMEs have a history of security excellence and leadership, and are ideally placed to provide expert, trusted advice and services to partners across the world, often delivered by senior ex-HMG experts. From an HMG perspective, along with expertise, they have the potential to offer flexibility, responsiveness and often low overheads. They also offer the potential for rapid growth and job creation when new export opportunities are identified, contributing to the government's post-EU-Exit prosperity and levelling-up agenda.

HMG already uses the expertise of SMEs to support capacity development, but given the breadth of suppliers in this sector, they are only just touching the ‘tip of the iceberg’. Project sensitivities and the need to respond to urgent requirements can make security and resilience capacity development opportunities difficult to advertise widely, which discourages new potential suppliers and can lead to HMG reliance on just a small subset of the sector. The complexities of international working, associated security considerations and lack of familiarity with HMG commercial terms can also limit SME interest.

Nevertheless, SMEs that support international capacity development projects can benefit from introductions and early engagement opportunities that are critical to long term constructive commercial relationships, but which are difficult for small organisations to develop themselves. Delivering under a HMG banner also gives SMEs a chance to develop a track record of successful international delivery that can support future exports.

A helping hand on the international stage. International working can be complex, both culturally and contractually, and requires the ability to navigate challenging export and taxation issues. When funding and contracting routes are provided directly by HMG as aid, or under other Government-to-Government mechanisms, getting a project off the ground may be relatively simple. However, in some cases the greatest opportunities will be available through direct export contracts, possibly as follow-on from initial HMG-funded projects. In such cases, it may be difficult for an SME to “pivot” to take advantage of the opportunity.

Alternatively, the international partner may be open to directly funding the work, but be nervous about contracting with a small overseas company, especially for sensitive or mission-critical projects. In both these cases, the experience and support of HMG can prove invaluable to SMEs. However, realistically this support may be difficult for HMG to scale as the number of opportunities grow and may also be restricted by the level of commercial risk and administrative complexity that HMG can accommodate. Given the value that SMEs derive from HMG support when exporting, but also recognising the limits on HMG’s ability to provide this in-house, options should be explored to provide elements of this commercial and cultural support from elsewhere in UK industry.

Establish new Government to Government (G2G) commercial models. When it comes to sensitive security capabilities, many beneficiary countries will want to have a relationship directly with HMG, in the form of a G2G agreement, rather than work directly with UK businesses. G2G agreements provide reassurance to international partners that they are acquiring HMG-approved capabilities with the added comfort of hopefully a long term relationship; however it does place commercial responsibilities and associated risks on HMG to manage. As Global Britain builds on its role as a security and resilience leader, these G2G arrangements will continue and increase in number alongside the focus on delivering greater outcomes. However, operating under G2G models can be challenging for suppliers with limited international experience as it has not always been clear whose responsibility it should be to manage the commercial aspects involved. The recently published Defence and Security Industrial Strategy recognised the need to develop standardised G2G commercial mechanisms for defence and security sales to better promote collaboration and risk sharing with industry. BAE Systems believes that establishing and sharing similar models and best practice, tailored to international development, would also help increase the opportunities in this domain.
Increase the integration of multiple small contributions to deliver more impactful outcomes. Individual SMEs are limited in the work they can take on, in terms of risk, scale and complexity, but achieving lasting benefits for beneficiary nations requires long term commitment and complex, multi-dimensional capacity development programmes. The majority of individual SMEs can only provide specific expertise, mainly in the form of Technical Assistance, to such complex programmes, which limits their capacity development impact. Achieving greater impact requires HMG take responsibility for integrating the inputs of multiple individual SMEs in ways that maximises their contribution to the programme but minimises their individual exposure, commitment and risk. This delivery coordination and integration role increases with the scale of capacity development interventions and in itself grows with complexity as more SMEs are engaged, or if G2G arrangements are included. Although HMG already undertakes this role for key programmes, this internal capacity will need to expand or change if it is to capitalise further on the breadth of SME support for holistic capacity development programmes.
Although HMG’s Security Export Strategy is strong on commercial export support to the security sector, we argue that international security and resilience capacity development could potentially provide an additional avenue to support exports and the prosperity agenda.

However, one of the key challenges that HMG will face in addressing this opportunity, is how it can best leverage the resources of UK industry, including the SME community, to deliver security and resilience capacity development projects at increasing volume, scale and complexity. Fortunately, there are a range of different international delivery models where industry can support HMG in its role.
Capacity development: A complex delivery

Capacity development is an incredibly broad subject area that can cover everything from policy, legislation and governance reform through to technology implementation, education and training. The technical implementation of a desired capability is often part of a wider project that is trying to meet the needs of multiple beneficiary groups. There can be significant political and cultural requirements to meet too, for both the donor and partner country, and frequently the need to coordinate efforts with other donor organisations.

This reflects BAE Systems’ own commercial experience implementing large security capabilities for international governments. We often observe that certain project responsibilities, especially those with complex geopolitical and multilateral aspects, are best delivered by government, whereas other, technical or implementation aspects, can be delivered by a hybrid of government and industry, depending on the project and the requirements.

In helping to determine where industry can best support government deliver these complex projects, we feel it is useful to consider project activities as falling into two separate project layers: Strategic and Delivery.

Figure 1 splits a capacity development project into two layers of project activities that differ depending on whether their primary focus is on supporting the strategic positioning of the project in the wider environment or, is on ensuring the timely delivery of outputs. The project activities in the strategic layer focus on the vision of the project and the ways to achieve it. They ensure that the partner country’s needs are clearly understood, that there is a strategy to deliver them, that development goals are clearly articulated, that the business case is robust and that monitoring and evaluation mechanisms are established to ensure that the right outcomes are delivered. The activities in this layer are heavily outward looking with an emphasis on engaging and coordinating strategic political stakeholders, such as cross government agencies and multilateral partners. At its heart, this project layer makes sure that the project does the right thing, and as such we would expect HMG to want to retain overall ownership.

The delivery layer is focused on the means. It initiates and mobilises a delivery team to produce the agreed outputs that the project is responsible for. The aim of the project activities in this layer is to work the plan, manage the various contributions, combine them with other parties’ efforts and then ensure that the planned outputs are of the right quality. Stakeholder engagement at this level is concerned primarily with project delivery, for example on engaging sources of inputs (e.g. managing supplier contributions), or beneficiaries of outputs (e.g. training delegates). Running alongside the technical delivery is a monitoring and control element that tracks progress and assures project delivery meets the technical delivery objectives. This project layer aims to deliver it right.
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Select and define the right thing to do

Do things well

Figure 1 - The different project layers of international capacity development

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<thead>
<tr>
<th>Composition</th>
<th>Stakeholder Management and Communications</th>
<th>Realisation</th>
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<tbody>
<tr>
<td>Strategy and vision</td>
<td>Team building (common vision and values)</td>
<td>Monitoring evaluation and learnings</td>
</tr>
<tr>
<td>Need identification and analysis</td>
<td>Strategic issues and risk management</td>
<td>Benefits realisation</td>
</tr>
<tr>
<td>Business case development</td>
<td>Stakeholder management (cross government)</td>
<td></td>
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<tr>
<td>Funding</td>
<td>Relationship building and management (Partner/G2G)</td>
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Monitor and Control

| Governance and control               | Strategic issues and risk management                              | Strategic assurance (validation)                 |

Delivery (Initiate, Plan, Implement, Close)

| Project design, definition and commissioning | Solution detailed design | Execute solution elements |
| Supplier strategy and strategic sourcing   | Delivery risk and issue management                               | Integrate solution elements (if required)       |
| Project planning, management and reporting | Innovation and improvement | Delivery assurance (verification)                |
| Project mobilisation                     | Stakeholder management and communications (during project delivery) | Project handover and closure                    |
|                                        | Supplier management                                              |                                                  |

Figure 2 - An example of typical project activities by layer
Government and Industry: A supporting partnership

HMG already engages Industry at all project levels of capacity development, although for security and resilience projects, has tended to retain overall responsibility for the project delivery layer. This contrasts with other HMG-funded programmes, notably in the humanitarian space and in broader governance capacity development, where project delivery is managed by industry partners. Arguably however, the security and resilience domain has additional considerations that make greater use of industry more challenging – such as the need for close coupling with HMG’s operational defence and security priorities, or requirements to work with classified information and sensitive capabilities.

We recognise that HMG will always want to retain ownership of the majority of strategic project layer activities, especially for security and resilience projects. Many activities in this layer, for example maintaining long term political relationships, can only be undertaken by government. However, we believe that HMG is unlikely to want to scale its project delivery layer capabilities in line with the increasing volume and complexity of security and resilience capacity delivery.

Project delivery layer effort can expand rapidly as projects scale. For example a large capacity development project will need to coordinate the work of multiple SMEs, who will most likely struggle to ‘step up’ to resolve the increased project delivery complexity themselves, leaving an increasing burden on HMG. We feel that HMG is unlikely to want to take on this increased project delivery layer responsibility. However, without helping SMEs mobilise, integrating their contributions, helping them operate under G2G arrangements and possibly also exploiting international work, many of the UK benefits mentioned earlier from increasing security and resilience capacity development could fail to materialise.

Fortunately, there are many alternative delivery models available to HMG and industry that address the scaling challenges in the project delivery layer. There are also numerous existing examples of close integration between HMG agencies and trusted UK industry partners, even in some of the most sensitive areas of national security capability development, so security concerns should not be a barrier to greater use of industry.

In Figure 4 we propose a range of delivery models that sit on a sliding-scale of HMG and Industry project ownership and responsibility that could be implemented according to HMG’s requirements on each project. Each project delivery layer activity can be developed in-house, be delivered fully by industry, or be developed as a hybrid collaboration with trusted industry partners.
Although HMG already applies this model at a work stream level in the security and resilience domain, for instance in contracting an advisor to help with a business case, or in fully outsourcing training course delivery, we believe it can also be applied at a larger scale to address most or all of the project delivery layer.

To illustrate how different project delivery models might work and when to consider them, we illustrate, in Table 1, a range of flexible delivery options as applied to a sizeable project delivery that includes a solution integration role. HMG retains accountability for the project’s strategic layer in each case, with the primary difference across the options being the balance of solution integration responsibilities held between HMG and industry.

Table 1 - Five examples of how project delivery layer responsibilities can be shared between HMG and industry

<table>
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<tr>
<th>Delivery Role</th>
<th>Pros</th>
<th>Cons</th>
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| 1. HMG delivers full project “in house” | • Lowest cost and fastest to mobilise if resource available  
• Best option for extremely niche, sensitive or highly classified areas where it is difficult or impossible to involve industry  
• Good for small engagements with key political or diplomatic objectives | • Hard to scale  
• Requires HMG to maintain resources able to deliver these projects, even if not fully utilised  
• Does not help prosperity objectives – does not expose UK companies to international markets |
| 2. HMG delivers the project with bespoke private sector support in specific areas | • Allows private sector to balance resource peaks and troughs, or provide specialist skills | • Still relatively hard to scale as HMG has to provide many of the delivery resources  
• HMG has to maintain awareness of the market and be able to flexibly task a wide range of suppliers |
| 3. HMG runs a “thick” programme management office (PMO) with delivery subcontracted to one or more suppliers | • HMG can focus on programme management and integration, not delivery resources  
• Easier to scale though still limited by HMG management capacity  
• Suppliers exposed to international markets which may lead to export opportunities – albeit HMG may have to support SMEs | • HMG has to manage multiple potentially complex contracts with different suppliers, both large and small, for different programme elements |
| 4. HMG runs a “thin” strategy and assurance function and engages an integrator to provide a PMO and a broader supply chain | • HMG can focus on the areas only it can deliver – strategy and policy – with industry taking on programme management and delivery  
• Easier to scale up with limited HMG resource  
• HMG only has to directly manage one contract per programme, with integrator taking on complexity of broader supply chain  
• Suppliers exposed to international markets which may lead to export opportunities – integrator could be tasked with supporting SMEs initially | • If not approached with partnership mindset and the right incentives, integrator could block engagement of SMEs and flow-down of economic benefit  
• Integrator needs the scale and experience to be able to take on risk and deliver complex programmes internationally |
| 5. HMG provides funding or establishes G2G relationship and steps back, fully outsourced to private sector with responsibility for delivery | • In principle, easiest to scale up given HMG involvement is limited to project initiation and constrained only by availability of budget | • HMG still has reputational risk for delivery quality or if major issues arise, but fewer options to assure or guide the programme  
• Harder to realise diplomatic and security benefits as HMG not directly involved  
• Whilst this may seem like the best option to deliver economic benefits to UK industry – lack of government direction may result in undesired outcomes (like a few larger companies taking all the benefit as SMEs aren’t supported to overcome barriers to participate) |
Delivery model considerations

Given the complexity of international relationships, security sensitivities and commercial realities, we recognise there is no single model that will work for all projects. The balance of integration capability and responsibilities retained and managed in-house by HMG and those undertaken by industry will vary depending on HMG’s engagement strategy, the partner nation’s requirements, and also the nature of any G2G arrangements. Although HMG’s commercial experience for supplier sourcing is extensive, in the case of security and resilience capability it is mostly derived from procuring UK based projects. How then should HMG decide on which delivery model to choose for a capacity development project?

Based on BAE Systems’ experiences of delivering international security and defence capacity projects, we share the following insights and ideas for how to design an effective delivery model for capacity development projects.

• The challenges of outsourcing solution integration activities to industry should not be underestimated, as the selected industry partner should become an extension of the HMG project delivery management team. Consequently it is vital that they have the right cultural fit to establish an effective collaborative environment, so that HMG, suppliers and other UK stakeholders deliver as one integrated team. In our experience, it takes time to establish the trust, transparency and shared goals that underpin such an environment, so if considering potential solution integrators, they should be engaged earlier in the project, ideally to assist with overall project design.

• A vital step in establishing an effective multi-supplier model is to agree and set the division of responsibility between HMG’s retained project responsibilities, the role of any solution integrator and the responsibilities of any other security and resilience suppliers. Setting the division correctly means that it will be clear who is responsible for what within the overall project.

• Sensitive security projects require a diplomatic and sensitive introduction of industry’s delivery role. Security and resilience issues can be highly sensitive for the partner country, requiring a significant upfront investment to establish confidence that their requirements can be both met, but also delivered securely and sensitively. Partner countries take comfort from their direct engagement with HMG and frequently expect it to continue during technical implementation, so introducing a solution integrator, even under a G2G arrangement, can unsettle the relationship. UK industry has significant experience of trusted delivery of sensitive capabilities, however if HMG expects to use industry in this way, they should be introduced early as part of any engagement, ideally during any initial project design discussions with the partner country. It will be important to consider how HMG can build the partner’s trust in the selected industry supplier – for example by emphasising how they are trusted to deliver in a UK context, that UK industry staff possess security clearances just as HMG staff would, or how the supplier has been assured and certified by HMG.

• Potential prosperity objectives should be highlighted early and the interests and objectives of all parties should be aligned to support it. One way to achieve that would be through effective incentivisation of industry, for example through KPIs on the % of work delivered through SMEs, speed to on board new SMEs, and other supply-chain related metrics, as is increasingly the case in domestic programmes. USAID’s initiatives are worthy of note here, where a set % of work must be subcontracted to small business (and often to woman- or veteran- owned businesses). There would need to be a focus on creating an agile SME ecosystem in which new suppliers can be brought on board rapidly, and SMEs can gain greater exposure to the end customer. A further important metric would be follow-on direct export business achieved by the SMEs in the international market – as ideally they should eventually be able to operate without the support of a larger integrator once they have gained export experience and credentials.

• Industry integrators can introduce innovative commercial approaches, but these can take time to agree. Large integrators introduce the option for HMG to transfer greater implementation risk to industry, through the use of firm price or outcome-based contracting models, which might not be viable for SMEs. Solution Integrators can also provide a range of additional commercial and delivery approaches to HMG, whilst shielding SMEs from this complexity. This provides HMG with the ability to engage UK SME knowledge and skills to pursue larger more complex, but possibly more effective, capacity development outcomes. However, these arrangements are more complicated to establish and should only be undertaken where industry understands the associated delivery risks.

Getting both the balance of responsibilities right and establishing effective collaboration should be key criteria in delivery model design. Ideally, the larger and more integrated the delivery scope, the earlier HMG should engage with industry to design project delivery. In return, industry can bring valuable commercial insights, large scale project delivery expertise and innovative combinations of technical and engineering inputs to support HMG’s capability development ambitions in security and resilience.
Conclusion

The UK’s security and resilience sector is well placed to help strengthen our partners and allies. It is a valued capability that could help expand UK influence abroad in a post-pandemic and post-EU-Exit era. Although HMG already uses security and resilience SMEs to deliver international capacity development projects, the scale of its interventions are limited by its ability to manage and integrate the work of multiple SMEs.

HMG will always lead the strategic activities on any capacity development engagement, but alternative delivery models for working with industry exist, which would expand HMG’s ability to run large-scale multi-supplier security and resilience projects in parallel. These could provide key benefits, especially on larger projects, such as:

- **Reduced reliance** on HMG personnel for project management, coordination, delivery and enabling services, if desired – enabling more rapid scaling-up of projects and expanding HMG’s capacity to run multiple programmes in parallel;
- **The ability to maximise** the contribution of a wide range of suppliers, including supporting them in the transition to direct export contracts where applicable, and thereby boosting prosperity benefits;
- **Transfer of delivery complexity to industry**, where appropriate, through contracting models that allow HMG to engage UK SME knowledge and skills to pursue larger more complex, but possibly more effective, capacity development outcomes, whilst also shielding SMEs from the project complexity. This approach could also help SMEs engage with G2G constructs.
- **Enhanced technical programme management** and engineering capability, which would enable the UK to take on greater responsibility for projects involving technology elements, driving greater impact.

References

The UK security and resilience sector is world renowned, and along with Defence exports, has long been recognised as an export opportunity for economic growth; however it is distinct from Defence exports, particularly in that it is a sector largely dominated by small to medium sized enterprises (SMEs).

The recently published Integrated Review places strengthening security and resilience at home and overseas at its heart. The sector is therefore well placed to help strengthen the security and resilience of our partners and allies, and as a valued capability it could help expand UK influence abroad in a post-pandemic and post-Brexit era.

The UK Government already uses security and resilience SMEs to deliver capacity development to partners and allies, but the scale of its interventions are limited by its ability to manage and integrate the work of multiple SMEs.

This White Paper proposes a new delivery model for international capacity development projects that would expand HMG’s ability to run large-scale multi-supplier security and resilience projects in parallel.