



Fighting talk

Sir Glenn Torpy, the current senior military adviser at BAE Systems and the former chief of UK air staff from 2006 to 2009, discusses the company's export business in the GCC, and long-standing military relations between the UK and the region

As senior military adviser to BAE Systems, what is your day-to-day role?

I'm the interface with the customer, particularly on the air side given my background, to understand and interpret their requirements. I spend a lot of time in the Middle East. I've flown all of the BAE Systems' products, from front line aircraft like Tornado and Typhoon to the Hawk as an instructor, so I have a good working knowledge of the product. I've also flown American, French and Russian aircraft who are competing in the same export markets.

How are BAE Systems' GCC business evolving?

On the air side, there are currently a number of fighter competitions going on around the region, and we are interested in all of them. We have a long-standing relationship with Saudi Arabia, which has ordered 72 Typhoons and a big inventory of Hawk aircraft (and we are delivering

more to them). The Kuwaiti government is in negotiations to purchase Typhoons which should come to fruition shortly. Qatar is going through a fighter competition which we are in dialogue with them about. And Oman has bought 12 Typhoons and eight new Hawks and is building a new base for those aircraft which will be delivered next year.

Having one type of aircraft in a fleet is attractive from an interoperability perspective. It offers synergies in terms of support. Also a relatively homogenous fleet across a region like the GCC makes deploying aircraft for joint operations a lot simpler - as we see in NATO. I think the GCC states realise that.

To what extent is the UK government supporting BAE Systems' export initiatives?

I see support for our export campaigns intimately. In last November's Strategic Defence and Security Review support for exports is loud and clear through the Prosperity Agenda. [Minister of State for Defence Procurement at the Ministry of Defence] Philip Dunne has been a fantastic advocate for us, as has [Defence Secretary] Michael Fallon, Philip Hammond (when he was in the MoD) and the prime minister as well.

Is the low oil price affecting your GCC business?

There is no doubt it is impacting every facet of regional government spending. Therefore, it is more than ever in our interests to make operating an aircraft as cheap as possible for the customer in the long-term. People tend to focus on the sticker

price but aircraft lifecycle maintenance costs are at least as much as the initial capital outlay. We have a strong pedigree of demonstrating that we can help reduce lifecycle costs.

How are you achieving that?

BAE Systems and the RAF introduced a public-private partnership model called Availability Contracting in 2007. Essentially, rather than just providing spare parts the aerospace industry supports the operations of an aircraft throughout its life within a pre-contracted and approved maintenance budget, which means costs are fixed.

By doing so, we incentivised industry to look at how it could help improve aircraft reliability because it was in their interests to make it as cheap as possible to support.

The initiative has delivered significant savings. Starting with the Harrier, the cost per flying hour was reduced by 50 per cent. We transferred that experience onto Tornado, where costs fell by 40 per cent, and then we did the same for Typhoon.

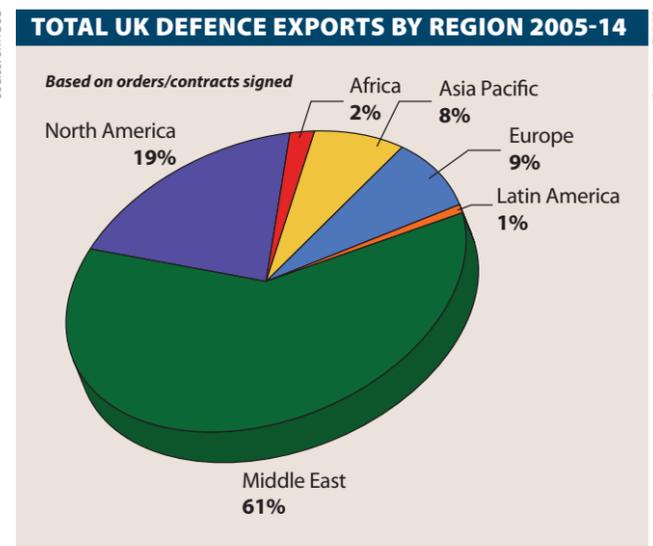
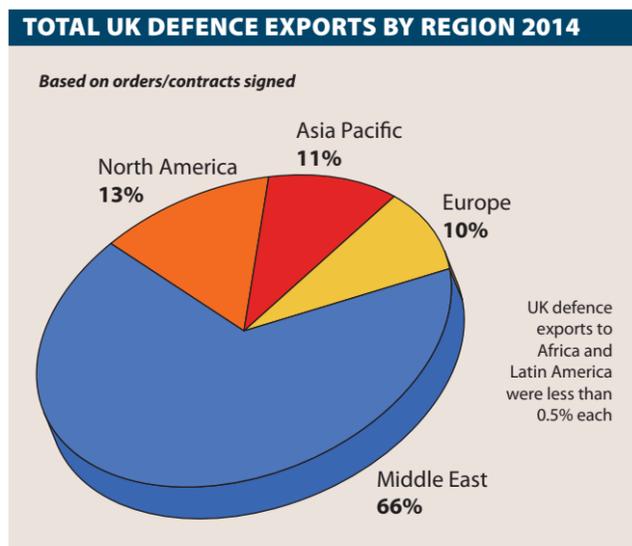
The benefits are not just about cost. It's about trust. Understandably, air forces feel if they have complete control of the way they support their aircraft there are no variables. They have had to learn to trust the contractor, and establishing continuous dialogue is of huge benefit in this respect.

We've seen by working together in close proximity on an airbase contractors that we can work collaboratively with the RAF to find solutions to both current problems and future requirements.

How are customer requirements changing?

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Sir Glenn Torpy, senior military adviser, BAE Systems



» Capability is always evolving. Some of that is driven by a perception of what the threat might look like in 10 or 15 years' time, but also today's threat.

You look at Tornado. It is a much more capable aircraft today than it was during the first Gulf War. The weapons have evolved, as has the intelligence and surveillance capability, even if the performance parameters and the aerodynamic platform are essentially the same. Tornado was designed to operate at low level for the Cold War. And it was fantastic at that. We had to adapt it to operate at medium altitude, as it did in the no-fly zones over Iraq for 12 years after the war.

Then you look at the Hawk training aircraft. The avionics of the second generation TMk2 are groundbreaking. At the heart of the system is an airborne synthetic environment which includes an improved synthetic radar and synthetic electronic warfare system, and a data link to enable collaborative multi-aircraft operations. We have also configured the cockpit exactly like a Typhoon. So the transition from training in the Hawk to the Typhoon as a front line aircraft is smooth, the only difference being the performance. The costs of training are reduced and the quality of outputs increased.

What are Typhoon's competitive advantages?

It is really easy to fly. It has carefree handling. You can abuse it and it will look after you and keep you safe. The airframe and engine combination is outstanding,

'The Hawk will be in the Bahraini Air Force's inventory for many years to come. The king has also announced the possibility of procuring the Typhoon'



enabling us to operate at 50,000 feet-plus with high degrees of agility. The only other aircraft that can do that is an [American] F-22 Raptor.

If you combine the aircraft's speed and agility with the weapons we are able to carry, such as METEOR, Brimstone and Stormshadow, you have an exceptional multi-role platform that still has enormous growth potential. We are currently developing an ESCAN radar for the aircraft, which will further enhance the flexibility and capability of the weapons system.

How would you describe UK-Bahrain military aviation ties?

The UK's military air presence goes back to the late 1920s and Bahrain has been a major staging post for RAF aircraft.

The kingdom has always had a very close relationship with the UK, and one of the important historical manifestations of that was the way during the Second World War that the Bahrain government purchased six Spitfires for the RAF through the Gulf Spitfire Fund. We know that the king is hugely enthusiastic about the Spitfire and its heritage.

There are many other UK aircraft that

have seen service in Bahrain, such as the Anson, used by an ex-RAF pilot to establish the Gulf Aviation Company, today's Gulf Air, in 1950, and the VC-10, which was operated by both Gulf Air and BOAC.

We have also based communications aircraft like the Hawker Siddeley HS125 and BAE 146s in Bahrain to support operations in Iraq and Afghanistan, as well as VC-10 tankers.

Bahrain was also a strategic base for the first Gulf War, when the RAF had Jaguars, Tornados and Buccaneers operating out of here. And, today, the Bahrain Air Force operates six Hawk aircraft.

What does the future hold for the UK-Bahrain relationship?

I'm very optimistic. The Hawk will be in the Bahraini Air Force's inventory for many years to come. The king has also announced the possibility of procuring the Typhoon, which would be a major step forward. The Bahrain Air Force already understands the aircraft as Saudi Arabia has been operating Typhoon for a number of years. ■

Sir Glenn Torpy was speaking to Mark Lazell.

TRADE

TRADE WINDS

The Gulf speaks to Sophie Lane, the regional director for Africa, Europe, Middle East, Central and South Asia at UK Trade & Investment (UKTI) Defence & Security Organisation (DSO) about regional bilateral links

How important to the UK is the GCC from a defence and aerospace perspective?

The six GCC states are a priority area for UKTI out of a total of 16 countries. We have very strong - and growing - bilateral economic, political and military relationships in the region.

Because of the long-standing bilateral relationships, we get good access in the GCC. But we can't be complacent or rest on our laurels and think we don't have to work hard.

It could be argued that over the last five years we have not been as consistent in the Gulf as perhaps we could have been. This government feels very strongly that the Gulf is a very important partner and we need to invest in as well as develop the opportunity. So it is also about political and economic commitment to the region as well as working together on bigger security opportunities.

Where are the main opportunities for UK companies in the GCC?

The UK and the GCC have many shared interests.

The region is developing its security apparatus, and is becoming increasingly smart about its requirements. You have, for example, Dubai with Expo 2020 and Qatar's World Cup, which are events on an unprecedented scale for the region.

UK niche industries have developed on the back of our own massive event, the London Olympics and all the physical and cyber threats we faced, so their solutions are increasingly relevant in the GCC. The UK is a pioneer, for example, in facial recognition technologies.



Dubai Expo 2020 will pose unique challenges which specialist UK cyber security firms can capitalise on

Defence is also an ongoing opportunity, not least because of geopolitical volatility. We're exploring, for example, how we can help UK companies support the growth of indigenous defence industries in the GCC.

We are also looking at oil and gas pipeline security where there are a number of high value opportunities on both the commercial and military sides.

The other area where I would expect a lot of interest is unmanned aircraft, and in the UK we have an industry to serve this.

A lot of UK companies need to develop their export markets, and part of that is collaborating with local industries.

In some GCC countries there is an emphasis on local manufacture so there is potential for collaboration and joint ventures. We push our companies quite hard to think about that.

Is current regional volatility a concern?

If anything, volatility sustains the work we are doing. It means defence and security will remain a priority for GCC countries, and we've seen them take a much more forward-leaning role militarily in recent years. Having technology to support that strategic move is vital.

We've been operating in the GCC for a long time with close relationships. Politically the UK is investing in Gulf security because it relates to our own security in the UK, so we provide a lot of support to companies working in the GCC.

But relationships are not always forged through governments. We're seeing quite a lot of B2B interaction, some of which draws on the close historical relationship.

Is Iran as future opportunity?

There is long-term potential, perhaps in the security arena initially, but it's probably five to 10 years out. It's probably too early to tell how the [sanctions lifting] deal will work out. ■