



Our commercial policy priorities

We are committed to delivering the best value for money in our procurement activity, and we are seeking to improve this further by:

- Improving access to our market for new, innovative suppliers and particularly smaller businesses. We want at least 25% of our procurement spend to go to SMEs both directly and indirectly by 2020.
- Increasing visibility of our future contract opportunities through a published pipeline and advertising both direct and sub-contract opportunities in one place through enhancements to the Defence Contracts Online (DCO) portal.

How we procure

The European Union Public Procurement Regulations drive UK law for public sector procurements and alongside MOD procurement policy provide the overarching control framework for all procurements.

This means that, as a public sector organisation, we procure in a different way to industry, eg we have competition as our default position, we set objective tender selection criteria, we are fair and transparent, and we will be held accountable for procurement decisions in a way the private sector is not. Our principles include non-discrimination (on grounds of nationality), equal treatment (of all suppliers), transparency (we act in a fair and non-discriminatory manner) and mutual recognition (of equivalent documents and standards).

Our procurement activity is consistent with the CADMID (Concept, Assessment, Demonstration, Manufacture, In-Service and Dispose) cycle.

Opportunities for businesses

There are exciting opportunities for new, non-traditional companies and suppliers in adjacent sectors to do business directly with the MOD and indirectly with our Key Suppliers at sub-contract level. The programmes we support are detailed in the Defence Equipment Plan; these include equipment/infrastructure and the defence estate.

We advertise tender and contract opportunities valued over £10,000 online and free of charge in the Defence Contracts Online (DCO) portal (see further information below). For sub-contracting opportunities we suggest you also engage with defence contractors' websites.

Our contract opportunities which are subject to the EU Public Procurement Regulations and valued at or above the EU thresholds, and which are not exempt from advertising, are advertised in the Official Journal of the European Union (OJEU) (see further information below) as well as in the DCO portal.

Requirements valued at below £10,000 are often one-off projects bought in accordance with our internal policy for low value purchasing (known as Joint Service Publication 332). JSP 332 is intended as a guide, designed to be used by staff responsible for low value purchasing and the electronic purchasing card.

We recognise SMEs have a great deal to offer in promoting economic growth. We are working to help SMEs, including social enterprises and charities, gain a greater share of defence-related business. For more information, please see our refreshed SME policy launched in March 2016.

DOING BUSINESS WITH DEFENCE – OUTREACH TEAM (previously DEFENCE SUPPLIERS SERVICE)

Want to know more?

To find out about supplying Defence and how we can help you, please get in touch. The MOD's Doing Business

with Defence Outreach Team provides an outreach service which gives advice and guidance to companies interested in becoming suppliers to MOD/Defence.

The team will, on request, explain:

- How to become a defence supplier.
- How to access MOD tender and contract opportunities online and free of charge.
- The procedures and processes that MOD uses to buy a wide variety of goods and services.

The Outreach Team works closely with Trade Bodies/Associations, Chambers of Commerce, Local Enterprise Partnerships, the Department for International Trade's Defence & Security Organisation (DIT DSO) and councils, giving advice to their respective member companies about doing business with MOD/Defence and attending around 50 seminars, exhibitions and 'Meet the Buyer' events these organisations arrange each year at various locations across the UK.

Contact details:

Doing Business with Defence – Outreach Team

Strategic Supplier Management Team

Poplar 1 #2119

MOD Abbey Wood

BRISTOL BS34 8JH

T: 0151 242 2000

E: dbscs-ecfinanceteam@mod.uk

INNOVATION IN THE DEFENCE SUPPLY CHAIN

We want to encourage innovation in our business and attract new and non-traditional suppliers to the defence supply base both directly with MOD and with our Key Suppliers. Our customers have put innovation high on their agenda and we expect this to be reflected in their future requirements. SDSR 2015 identified innovation as a central theme reflecting the changing global security and technology landscape. Technology is creating both threats to and opportunities for the UK's security and prosperity, and innovation is vital to maintaining our military advantage.

We have set up a new Innovation Fund (£800 million over ten years) to encourage better collaboration with industry, academia and allies; target new providers to boost the competitive advantage of UK Defence; and find answers to our most pressing national security questions from across sectors at pace.

Organisations supporting innovative ideas from suppliers include:

- Defence and Security Accelerator
- Defence Growth Partnership
- UK Defence Solutions Centre
- Innovate UK

DEFENCE AND SECURITY ACCELERATOR (DASA)

The Defence and Security Accelerator (formerly the Centre for Defence Enterprise), which forms part of the Defence Science