



Ministry
of Defence

MINISTRY OF DEFENCE
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STUART ANDREW MP
PARLIAMENTARY UNDER-SECRETARY OF STATE AND MINISTER
FOR DEFENCE PROCUREMENT

MSU/4/5/2/29/ap

26 March 2019

Dear Julian

I am writing to update you on the latest developments regarding the replacement for the RAF's Sentry aircraft. As you will recall, in October I advised you that the Ministry of Defence (MOD) had commenced single-source discussions with the Boeing Company with a view to acquiring the E-7 Airborne Early Warning and Control (AEW&C) aircraft at the earliest opportunity. I also stated that no commitment had been made and that the MOD would conduct its normal approvals process to ensure that the E-7 met our military requirements and represented value for money.

I am pleased to be able to inform you that a \$1.98 billion contract has now been signed with Boeing Defence UK to deliver five E-7 AEW&C aircraft. This decision was taken following a rigorous assessment process and intensive negotiations with Boeing. The E-7 is a highly-effective, world-leading capability that has already been proven on operations with the Royal Australian Air Force. It not only represents value for money for the UK taxpayer, it also provides the optimum surveillance solution to allow UK Armed Forces to monitor and manage airspace on deployments and provide early warning of threats. As you know, the E-7 is in operation with one of our key allies and this will increase opportunities for interoperability and collaboration. The procurement of E-7 is also a vital element of the UK's continued 25% airborne early warning and control contribution to NATO, which will benefit from a greatly enhanced UK capability.

Awarding this contract not only ensures that our Armed Forces continue to have the best possible capability, it is also good news for UK industry. The modification work to transform the base Boeing-737 aircraft into the E-7 will be carried out in the UK, sustaining several hundred highly skilled jobs at Marshall Aerospace and Defence in Cambridge. There will also be significant future opportunities for the UK supply chain to become involved in through-life support and training for these aircraft and their crews.

Boeing will begin work immediately with the first of our aircraft expected to be delivered in 2023.

*Yours
Stuart*

STUART ANDREW MP

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