

## **HON Judith Collins KC, MINISTER OF DEFENCE**

### **Defence Force: Utility Vehicle Replacement Tranche One**

March 2025

This publication provides the Cabinet Minute of Decision and submission on the approval to purchase at least 60 utility vehicles for the New Zealand Defence Force (NZDF), and the approval of the utility vehicle tranche one Project Implementation Business Case. This publication does not include the Project Implementation Business Case.

The pack comprises the following document:

- the Cabinet paper and associated Minute of Decision *Defence Force: Utility Vehicle Replacement Tranche One [EXP-24-MIN-0060 and EXP-24-SUB-0060]*.

This pack has been released on the Ministry of Defence website, available at: [www.defence.govt.nz/publications](http://www.defence.govt.nz/publications).

It has been necessary to withhold certain information in accordance with the following provisions of the Official Information Act 1982. Where information is withheld, the relevant sections of the Act are indicated in the body of the document

Information is withheld where making it available would be likely to prejudice:

- the security or defence of New Zealand or the international relations of the Government of New Zealand [section 6(a)]

Futher information is withheld to:

- protect the free and frank expression of opinions [section 9(2)(g)(i)]
- enable a Minister of the Crown or any department to carry on, without prejudice or disadvantage, negotiations [section 9(2)(j)]
- maintain for the time being the constitutional conventions which protect the confidentiality of advice tendered by Ministers of the Crown and officials [section 9(2)(f)(iv)]



# Cabinet Expenditure and Regulatory Review Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Defence Force: Utility Vehicle Replacement Tranche One

Portfolio Defence

On 5 November 2024, the Cabinet Expenditure and Regulatory Review Committee:

- 1 **noted** that in April 2019, the previous government agreed to the Protected Mobility Capability Project Detailed Business Case, which laid out the need for replacement utility vehicles [GOV-19-MIN-0013];
- 2 **noted** that since approval of the Detailed Business Case, the current utility vehicle fleet has continued to deteriorate;
- 3 **noted** that this investment is needed in advance of the Defence Capability Plan s6(a)
- 4 **noted** that in April 2024, Cabinet:
  - 4.1 agreed to establish tagged operating and capital contingency for Military Operational Vehicles as part of the Vote Defence Force Budget 2024 package of up to the following amounts:

	NZ \$ millions - increase/(decrease)							
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & Outyears
Military Operational Vehicles—Tagged Operating Contingency	s9(2)(j)							
Military Operational Vehicles—Tagged Capital Contingency								

- 4.2 authorised the Minister of Finance and the Minister of Defence to jointly draw down the tagged operating contingency and capital contingency in paragraph 4.1 (establishing any new appropriations as necessary), subject to Cabinet approval of an Implementation Business Case; and
- 4.3 agreed that the expiry date for the tagged operating and capital contingencies be 30 June 2026;

[CAB-24-MIN-0148.24]

- 5 **approved** the Utility Vehicle Tranche One Project Implementation Business Case, attached as Appendix Three to the paper under EXP-24-SUB-0060, which begins the replacement of the current Utility Vehicle fleet by addressing immediate obsolescence issues;
- 6 **authorised** the Secretary of Defence to commit and approve expenditure of up to \$100.000 million s9(2)(j) for the first tranche of utility vehicles;
- 7 **authorised** the Secretary of Defence to commit and approve expenditure of an additional NZ \$2.697 million as foreign exchange contingency to allow for any adverse movement in exchange rates before the contract with Urovesa is entered into and the NZ dollar cost is fixed, making the total initial capital investment up to \$102.697 million;
- 8 **noted** that the foreign exchange contingency of \$2.697 million will be funded from New Zealand Defence Force's (NZDF) accumulated depreciation reserves if required;
- 9 **approved** the following changes to appropriations for the Secretary of Defence to provide for the decisions in paragraphs [5](#), [6](#), and [7](#) above;

	NZ \$ millions - increase/(decrease)							
Vote Defence Minister of Defence	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & Out- years
Multi-Category Appropriation Defence Capabilities MCA Capital Expenditure Defence Capability Delivery	s9(2)(j)							

- 10 **noted** that the changes to appropriations in paragraph [9](#) above are offset by a capital receipt from the NZDF;
- 11 **approved** the following changes to appropriations to provide for the decision in paragraph [5](#) above, with a corresponding impact on the operating balance and net debt:

	NZ \$ millions - increase/(decrease)							
Vote Defence Force Minister of Defence	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & Out- years
Departmental Output Expenses: Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	0.205	0.907	1.485	4.105	10.979	11.317	11.585	11.755
New Zealand Defence Force - Capital injection	16.427	6.878	25.615	41.893	3.818	2.648	2.721	0.000

- 12 **noted** the following changes to the NZDF — Capital Permanent Legislative Authority authorised by section 24(1) of the Public Finance Act 1989, with a corresponding impact on the net Crown debt:

Vote Defence Force Minister of Defence	NZ \$ millions - increase/(decrease)							2031/32 & Out- years
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Departmental Capital Expenditure: New Zealand Defence Force Capital PLA	s9(2)(j)							

- 13 **agreed** that the operating expenditure incurred under paragraph [11](#) above be charged against the “Military Operational Vehicles – Tagged Operating Contingency,” described in paragraph [4](#) above;
- 14 **agreed** that the capital expenditure incurred under paragraph [12](#) above be charged against the “Military Operational Vehicles – Tagged Capital Contingency,” described in paragraph [4](#) above;
- 15 **agreed** that the changes to appropriations for 2024/25 in paragraphs [9](#), [11](#), and [12](#) above be included in the 2024/25 Supplementary Estimates and that in the interim, the increases be met from Imprest Supply;
- 16 **noted** that, following the changes detailed in paragraph [14](#) above, the tagged capital contingency described in paragraph [4](#) above is now exhausted and therefore closed;
- 17 **noted** that, following the changes detailed in paragraph [13](#) above, the tagged operating contingency described in paragraph [4](#) above has a balance as detailed in the table below with an expiry date of 30 June 2026:

Surplus balance	NZ \$ millions - increase/(decrease)							2031/32 & Out- years
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Military Operational Vehicles—Tagged Operating Contingency	s9(2)(j)							

- 18 **noted** that, while there is still funding remaining in the tagged operating contingency as set out in paragraph [17](#) above, this funding is no longer required for this project; and
- 19 **agreed** that the tagged operating contingency described in paragraph [4](#) above be closed and the remaining funding be returned to the centre.

Sam Moffett  
Committee Secretary

(see over for attendance)

**Present:**

Hon David Seymour (Chair)  
Hon Nicola Willis  
Hon Simeon Brown  
Hon Erica Stanford  
Hon Louise Upston  
Hon Judith Collins KC  
Hon Mark Mitchell  
Hon Simon Watts  
Hon Brooke van Velden  
Hon Shane Jones  
Hon Casey Costello  
Hon Andrew Bayly  
Hon Chris Penk  
Hon Andrew Hoggard  
Hon Mark Patterson

**Officials present from:**

Ministry of Defence  
New Zealand Defence Force  
Officials Committee for EXP

Released by the Minister of Defence

Office of the Minister of Defence

Chair, Cabinet Expenditure and Regulatory Review Committee

## **DEFENCE FORCE – UTILITY VEHICLE REPLACEMENT TRANCHE ONE**

### **Proposal**

1. This paper seeks approval to purchase at least 60 utility vehicles for the New Zealand Defence Force (NZDF), and the approval of the utility vehicle tranche one Project Implementation Business Case.
2. This investment requires \$100.000 million (excluding foreign exchange contingency) in capital injection and \$11.755 million in steady state operating uplift, reached in 2031/32. This will be funded from a tagged contingency established as part of Budget 24.

### **Relation to government priorities**

3. Beginning the replacement of the NZDF's utility vehicle fleet will ensure that New Zealand can continue to operate with our partners and defend our interests in the region, enhancing our security.

### **Executive Summary**

4. I recommend that Cabinet approve the purchase of at least 60 general service utility vehicles for the NZDF using the tagged contingency established for this purpose as part of Budget 24, and approve the associated Project Implementation Business Case (attached at Appendix Three). This investment requires \$100.000M (excluding foreign exchange contingency) in capital injection and \$11.755M in operating uplift.
5. Utility vehicles are used to transport personnel and equipment across all types of operations. These vehicles also provide a platform for specialist capabilities such as movement for medical evacuation, maintenance and repair, command, control, and communications functions. In s6(a) (e.g. Humanitarian Assistance and Disaster Relief (HADR) and Stability and Support Operations (SASO)), the NZDF will deploy utility vehicles across the Area of Operations (AO) wherever and whenever they are needed to support these operations. s6(a), these vehicles would operate in rear support areas, transporting personnel and equipment to and from the designated AO.
6. The utility vehicles from this investment s6(a) with the current fleet (unarmoured Pinzgauers and operational Unimogs) which are past their useful life. While this investment does not replace the whole fleet it will provide enough utility vehicles for the NZDF to undertake s6(a) regional deployments and support domestic tasks such as HADR. These deployments are the most common deployment for the Army (e.g. the recent SASO deployment to the Solomon Islands and the HADR

response to Cyclone Gabrielle). The NZDF and Ministry of Defence (together referred to as Defence) will seek investment for the remainder of the utility vehicles in later years.

7. This investment is needed in advance of the Defence Capability Plan. Due to the degradation of the current fleet, the new vehicles must be procured s6(a)
8. The option of procuring at least 60 general service vehicles was chosen as it presents the lowest development and cost risk compared to purchasing other variants. It also provides the largest number of vehicles within the amount allocated at Budget 24.
9. Defence undertook a competitive tender process for the vehicles. Urovesa, a Spanish vehicle manufacturer, was found to be the best option, based on its extensive international experience and value for money. Upon approval of this Cabinet paper, Defence will enter into a contract with Urovesa for at least 60 vehicles. Defence will also prepare a Detailed Business Case, to determine the optimal mix for the remainder of the NZDF's protected vehicle fleet (including the remaining utility vehicles).

## Background

10. Cabinet approved the Protected Mobility Capability Project Detailed Business Case on 15 April 2019 [CAB-19-MIN-0171 refers]. The Protected Mobility Capability Project has already delivered: Light High-Mobility vehicles (Polaris MRZR) [CAB-19-MIN-0171 refers]; and 43 Australia produced Thales Bushmaster vehicles to replace the armoured Pinzgauer vehicles [CAB-20-MIN-0296 refers]. The communications installation project for the Bushmaster vehicles has begun [CAB-23-MIN-0388 refers].
11. Replacement of the utility vehicle fleet is the next priority (currently consisting of Unimogs used for operations<sup>1</sup> and unarmoured Pinzgauers). Utility vehicles are used to move personnel and equipment for s6(a) operations and AO's. The Bushmasters and Light Armoured Vehicles (LAV) will be used to move personnel and equipment for operations and within AO's s6(a). For more information see Appendix Two.
12. s6(a) current utility vehicles are still serviceable as of July 2024, restricting the size and location of NZDF deployments s6(a). Spare parts are no longer available, so unserviceable vehicles are cannibalized.
13. Budget 24 established a tagged contingency of \$100.000 million capital and \$21.765 million in four-year operating uplift for "a first tranche of new Utility Vehicles and modern military communications" [CAB-24-MIN-0148.24 refers].

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<sup>1</sup>Unimogs not used for operations will be replaced by the Garrison and Training Support Project.

14. This investment is required in advance of the upcoming Defence Capability Plan. If the vehicles are procured now, the Army will still s6(a) be able to undertake small-scale domestic and Pacific HADR operations s6(a)

**This investment will begin to replace the 'workhorse' utility vehicles.**

15. The Budget 24 tagged contingency does not cover the cost of replacing the whole fleet. Defence analysed three options for this first tranche to fit within the allocated budget. The analysis recommended this tranche procure at least 60 general service utility vehicles (for more detail see Appendix One), which are the 'workhorse' of the fleet. s6(a)

16. With general service utility vehicles, the NZDF can undertake s6(a) missions s6(a). While the legacy unarmoured Pinzgauer vehicles remain serviceable, they can be used alongside the new vehicles. s6(a). This provides the Government with the ability to meet its core domestic and Pacific priorities through stability support in the region (such as the most recent deployment to the Solomon Islands) and domestic and regional HADR.

17. For the permanent ability to undertake larger, longer, and higher threat deployments further tranches of utility vehicles are required. s9(2)(f)(iv)

**A robust process was followed to find the preferred supplier.**

18. To find the preferred supplier for the utility vehicle fleet, Defence released a Request for Proposals in November 2022. The request received five responses, which were evaluated by a series of working groups. Due diligence was carried out on two respondents to clarify their responses and ensure risks were managed. For more information on the evaluation process see Appendix Two.

19. The chosen supplier is Urovesa, a Spanish-based company. It is a supplier to the Spanish military and also has extensive international experience, including sales to the Singaporean Armed Forces and a recently announced contract with the United Kingdom Ministry of Defence.

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<sup>2</sup> s9(2)(f)(iv)





Figure 1: Examples of Urovesa General Service Light (left) and Medium (right) vehicles.

### Combined Procurement with Australia

20. The Australian Defence Force is currently replacing all its Operational Utility Vehicle Fleet with a fleet of fully armoured vehicles. This vehicle does not meet New Zealand's requirements for the utility vehicle fleet. s9(2)(f)(iv)

[Redacted text]

21. Beginning to replace the utility vehicle fleet improves interoperability with Australia by equipping the NZDF with a vehicle suited to modern military environments and providing a complementary capability optimised to support operations in the Pacific.

### Next Steps

22. The Secretary of Defence will enter into a contract to procure at least 60 general service utility vehicles.

23. This investment partially alleviates obsolescence within the utility vehicle fleet.

s9(2)(f)(iv)

[Redacted text]

### Implementation

24. The governance and contract milestones for tranche one of the utility vehicle replacements are shown in the table below.

Governance Milestone	Dates
Approval to Commit, and Contract execution	November 2024
Verify the Deliverables and Accept s6(a)	s6( 2027 <sup>3</sup>

25. The project will be delivered under Defence's Capability Management System, which has been developed in alignment with international best practice. The Project and Governance Boards include independent external members.

### Key implementation risks and mitigations

26. Integrating military communications into vehicles has development and cost risks.



### Financial Implications

28. The total capital cost of Tranche One is \$100.000 million, and the steady state operating uplift is \$11.755 million (including depreciation and capital charge).

29. The uplift is the total cost of operating the new capability less the cost of operating the old Mercedes Unimog fleet (\$0.714 million per annum), which will be retired once these vehicles are able to be used on operations.

Investment required	NZ \$ millions - increase/(decrease)								Total
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & Outyears	
Capital Injection									100.000

s9(2)(j)

30. This will be funded from the tagged contingencies established in Budget 24 [CAB-24-MIN-0148.24 refers]. This allocated \$100.000 million in capital funding and operating funding of \$21.765 million over the first four financial years from 2024 to 2028.

31. A foreign exchange contingency of \$2.697 million to cover foreign exchange movements until the risk is fully hedged will be set aside and funded by NZDF's depreciation reserves, if required. This is on top of the \$100.000 million that is being sought from the tagged contingency.

<sup>3</sup> This date includes the time to design, test, and prototype the communications integration and the production of the vehicle.

<sup>4</sup> Interim Operational Release is the date which the capability is handed over from the Ministry of Defence to the NZDF and is therefore able to be used on operations.

### **Other Implications**

32. There is no cost of living, legislative, regulatory, climate, population, or human rights implications.

### **Use of External Resources**

33. No external resources were engaged in the development of the policy advice in this Cabinet Paper and attached Business Case.

### **Consultation**

34. This paper was prepared by the Ministry of Defence and the NZDF. It has been consulted with the Government Communications Security Bureau, Public Service Commission, Ministry of Foreign Affairs and Trade, and The Treasury. Their feedback is reflected in this paper.

### **Communications**

35. Publicity will be coordinated by the Office of the Minister of Defence.

### **Proactive Release**

36. I intend to proactively release this paper and associated minute, with appropriate redactions in line with the Official Information Act 1982.

Released by the Minister of Defence

## Recommendations

The Minister of Defence recommends that the Committee:

1. **note** that Cabinet agreed to the Protected Mobility Capability Project Detailed Business Case in April 2019 (CAB-19-MIN-0171 refers) which laid out the need for replacement utility vehicles;
2. **note** that since approval of the Detailed Business Case, the current utility vehicle fleet has continued to deteriorate;
3. **note** that this investment is needed in advance of the Defence Capability Plan to s6(a) undertake small scale domestic and Pacific Humanitarian Assistance and Disaster Relief missions;
4. **note** that on 29 April 2024 Cabinet [Initiative No. 15557, CAB-24-MIN-0148.24 refers]:
  - 4.1. **agreed** to establish tagged operating and capital contingency for *Military Operational Vehicles* as part of the Vote Defence Force Budget 2024 package of up to the following amounts:

	NZ \$ millions - increase/(decrease)							
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & Outyears
Military Operational Vehicles—Tagged Operating Contingency	s9(2)(j)							
Military Operational Vehicles—Tagged Capital Contingency	s9(2)(j)							

- 4.2. **authorised** the Minister of Finance and the Minister of Defence to jointly draw down the tagged operating contingency and capital contingency above (establishing any new appropriations as necessary), subject to Cabinet approval of an Implementation Business Case; and
- 4.3. **agreed** that the expiry date for the above tagged operating and capital contingencies be 30 June 2026.
5. **approve** the Utility Vehicle Tranche One Project Implementation Business Case, which begins the replacement of the current Utility Vehicle fleet by addressing immediate obsolescence issues;
6. **authorise** the Secretary of Defence to commit and approve expenditure of public money up to \$100.000 million s9(2)(j) for the first tranche of utility vehicles;
7. **authorise** the Secretary of Defence to commit and approve expenditure of public money of an additional NZ \$2.697 million as foreign exchange contingency to allow for any adverse movement in exchange rates before the contract with

Urovesa is entered into and the NZD cost is fixed, making the total initial capital investment up to \$102.697 million;

8. **note** that the foreign exchange contingency of \$2.697 million will be funded from New Zealand Defence Force's (NZDF) accumulated depreciation reserves if required;
9. **approve** the following changes to appropriations for the Secretary of Defence to provide for the decision in recommendations 5, 6, & 7 above;

	NZ \$ millions - increase/(decrease)							
Vote Defence Minister of Defence	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & out-years
Multi-Category Appropriation Defence Capabilities MCA Capital Expenditure Defence Capability Delivery	s9(2)(j)							

10. **note** that the changes to appropriations in recommendation 9 above are offset by a capital receipt from the New Zealand Defence Force;
11. **approve** the following changes to appropriations to provide for the decision in recommendation 5 above, with a corresponding impact on the operating balance and net debt:

	NZ \$ millions - increase/(decrease)							
Vote Defence Force Minister of Defence	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & out-years
Departmental Output Expenses: Army Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	s9(2)(j)							
New Zealand Defence Force - Capital injection	s9(2)(j)							

12. **note** the following changes to the New Zealand Defence Force — Capital Expenditure PLA authorised by section 24(1) of the Public Finance Act 1989, with a corresponding impact on the net Crown debt:

	NZ \$ millions - increase/(decrease)							
Vote Defence Force Minister of Defence	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32 & out-years
Departmental Capital Expenditure: New Zealand Defence Force Capital PLA	16.427	6.878	25.615	41.893	3.818	2.648	2.721	0.000

13. **agree** that the operating expenditure incurred under recommendation 11 above be charged against the Military Operational Vehicles – Tagged Operating Contingency, described in recommendation 4 above;

14. **agree** that the capital expenditure incurred under recommendation 12 above be charged against the Military Operational Vehicles – Tagged Capital Contingency, described in recommendation 4 above;
15. **agree** that the proposed changes to appropriations for 2024/25 in recommendations 9, 11, & 12, above be included in the 2024/25 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
16. **note** that, following the changes detailed in recommendation 14 above, the tagged capital contingency described in recommendation 4 above is now exhausted and therefore closed;
17. **note** that, following the changes detailed in recommendation 13 above, the tagged operating contingency described in recommendation 4 above has a balance as detailed in the table below with an expiry date of 30 June 2026;

Surplus balance	NZ \$ millions - increase/(decrease)							2031/32 & Outyears
	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	
Military Operational Vehicles—Tagged Operating Contingency					s9(2)(i)			

18. **note** that, while there is still funding remaining in the tagged operating contingency as set out in recommendation 17 above, this funding is no longer required for this project; and
19. **agree** that the tagged operating contingency as described in recommendation 4 above be closed and the remaining funding be returned to the centre.

Authorised for lodgement

Hon Judith Collins KC  
**MINISTER OF DEFENCE**

**List of appendices:**

1. Analysis of Options
2. Overview of the new vehicle
3. Project Mobility Capability Project Operational Utility Vehicles Project Implementation Business Case

## Appendix One

### Analysis of Options

Three options were analysed for this investment:

**Address Obsolescence** purchases at least 60 general service variants. s6(a)

presenting the lowest cost and development risk. This allows for a greater number of vehicles to be purchased and higher cost certainty than other options.

**Top Down** s6(a) s9(2)(g)(i)

This option poses high development and cost risks due to the complexity of the variants.

**Bottom Up** s6(a)

This option provides a deployable capability but is still much more complex than the **Address Obsolescence** option.

The Investment Objectives (IOs) for the Protected Mobility Capability Project are shown in the table below. These remain relevant for the utility vehicle. Only IO 1 and IO 5 were used in analysing the options for this tranche, as they are the only Investment Objectives relevant for the utility vehicle.

IO 1	The Defence Force has a strategically mobile and tactically agile Protected Mobility Capability.
IO 2	The Defence Force has a Protected Mobility Capability with survivability relevant to contemporary and emerging threats.
IO 3	The Defence Force has a Protected Mobility Capability that enables the detection, identification, engagement, and ability to defeat adversaries.
IO 4	The Defence Force's Protected Mobility Capability enables interoperability with partner nations.
IO 5	Risks posed by the age and technical obsolescence in the existing Protected Mobility Capability are mitigated.

The Critical Success Factors (CSFs) used in evaluating the options are shown in the table below.

CSF 1	Strategic fit and organisational needs	Does the recommended option deliver on Defence policy, meet the user's priorities, and give the capability needed to deliver the benefits and objectives?
CSF 2	Market Capacity and Capability	Are the options available both now and in the future, and can they be delivered and operated with low risk?
CSF 3	Affordability	Can we afford the procurement, operating and ongoing support costs within current and planned baselines without compromising other capabilities either within Army or across Defence as a whole?
CSF 4	Efficiency	Is the option able to be assimilated quickly and easily within current logistic, support and training regimes, and does it integrate easily with other complementary capabilities (such as the Network Enabled Army, and existing transport and infrastructure)?
CSF 5	Achievability	Does the option provide the military capability we need within the personnel, training and other resource constraints that exist, and can it be introduced and operated without undue effort and dislocation of operational and other commitments and priorities?

The result of the analysis can be found in the table below. **Address Obsolescence** is the preferred option.

s6(a), s9(2)(g)(i)

Released by the Minister of Defence



## Appendix Two

### Overview of the new vehicle

As a fundamental element of a motorised Army, utility vehicles are used across all types of operations.

For operations in [REDACTED] s6(a) (e.g. Humanitarian Assistance and Disaster Relief (HADR) and Stability and Support Operations (SASO)), the NZDF will deploy utility vehicles across the area of operations wherever and whenever they are needed to support and enable these operations.

For military operations [REDACTED] s6(a) utility vehicles operate in rear support areas, transporting personnel and equipment to and from an area of operation. The Bushmasters and Light Armoured Vehicles (LAV) will be used to move personnel and equipment for operations and within areas of operation [REDACTED] s6(a)

The utility vehicles will also support the RNZAF by providing a deployable mobile communications capability to support aircraft operations.

The utility vehicles will come in Light and Medium configurations (with differing load capacity requirements) [REDACTED] s9(2)(g)(i), s9(2)(f)(iv)

- Light vehicles:
  - General Service (This Business Case).

[REDACTED] s9(2)(g)(i), s9(2)(f)(iv)

These new vehicles will perform several roles, including but not limited to:

- Carrying equipment and personnel (This Business Case);
- Carrying communications equipment and providing a platform in which communications can be operated (This Business Case (partial));
- Carrying maintenance and engineering equipment and personnel; and
- Recovery and transport of injured/sick personnel.

Most recently, the NZDF deployed the current utility vehicles in the response to Cyclone Gabrielle, where they were able to provide transport links and supplies to areas that other vehicles were unable to access.

The new vehicles also need modern military grade communications systems to operate in modern environments. [REDACTED] s6(a)

[REDACTED]

The changing nature of warfare and the operational environment drives a need for a more dynamic, 'real-time', secure, and informed way of communicating in the operational theatre which needs to be resilient to disruption and interference. The new utility vehicles will be procured with modern communications equipment to meet this need.

Defence received approval to approach the market with a Request for Proposals (RFP) and developed a suitable draft contract and tender documents. The RFP was issued on 3 November 2022 and closed on 8 June 2023. The proposals requested were for the entire fleet of utility vehicles, to ensure that the chosen supplier was suitable for more than the initial tranche.

Five suppliers provided responses to the RFP, of which two were chosen for due diligence examination by members of the project team, of these two Urovesa was chosen as the preferred supplier.

Urovesa provided the following benefits:

- A better Through Life Support outcome (comparable score and cost, but with less risk);
- Mature vehicle design (4th generation);
- Proven track record with other nations;
- Shortest schedule; and
- Lowest commercial risk (better financial stability and contract acceptance).