

# STRATEGIC PROCUREMENT OUTLOOK

## New Zealand Defence Force

<b>Period Covered:</b>	1 July 2011 – 1 July 2012
<b>Last Updated:</b>	1 June 2011

### Mission

The New Zealand Defence Force (Defence) comprises 9,782 Regular Force, 2,415 Territorial Force, and 2,569 civilian staff members across the armed services of Navy, Army and Air Force, operating as **Three Services - One Force**.

As at May 11 there were 839 Defence personnel deployed on 16 peacekeeping operations, UN missions and defence exercises across 10 countries.

The Chief of Defence Force and the three single Service Chiefs lead the Defence team. They work to create an environment that enables people within Defence to achieve the Government's defence priorities laid out in the Defence Policy Framework (June 2000) and the Long Term Development Plan (LTDP). These lay out clear goals, priorities and funding commitments for Defence within the legal framework of the Defence Act 1990.

Defence's mission is "to secure New Zealand against external threat, to protect our sovereign interests, including the Exclusive Economic Zone, and to take action to meet likely contingencies in New Zealand's area of strategic interest".

**Defence's vision is:** "Three Services as one Force, being the best in everything we do".

### Policies & Programmes

Defence's strategy, to achieve its mission and to grow towards its vision, will be effected through three Strategic Themes. All activities, policies and programmes are aligned with these themes and are aimed at, ultimately, 'mission success'. The three strategic themes are;

- **The agile force** – This is about being operationally effective.
- **Being a valued partner** – This reflects the need for Defence to retain the trust and confidence of our partners and stakeholders.
- **Resource efficiency** – This is about being the best at what we do by being selective and optimising how we use our resources.

### Overarching Purchasing Objectives

Defence's overarching purchasing objective is to ensure that value for money is achieved for every dollar spent. The Defence spend is managed through category spend analysis to determine Defences' strategic sourcing approach and market engagement.

Major capital procurement initiatives are set out in the Long Term Development Plan (LTDP) which covers the major acquisitions planned over the next ten year period. Projects covered by the LTDP are purchased by the Ministry of Defence. In addition,

Defence has a capital expenditure programme for projects up to a maximum of \$7million. These projects cover a wide range of goods, services and infrastructure requirements to maintain the overall effectiveness of Defence.

The Defence purchasing framework under which capital and operating purchases are made complies with the Government's 'Mandatory Rules for Procurement by Departments'. Forecast approaches to the market in excess of \$100K will be notified via the Annual Procurement Plan and again, in detail, when market engagement processes are initiated.

Approaches to the market will be managed by the purchasing authority of each Service (Navy, Army and Air Force) now operating through a new organisation "Defence Logistic Command", along with the Defence Shared Services organisation.

The approach for a particular contract will be initiated with a request for Registrations of Interest or the issue of a Request for Proposal or Tender through Defence's SmartProcure website. Suppliers can register on SmartProcure at: <http://nzdf.bravosolution.com>. All opportunities will also be advertised through THE Ministry of Economic Development Government Electronic Tendering System (GETS).

Responses are then analysed by Defence and all respondents advised, in writing and through GETS, of the outcome.

## General Information

<b>Total number of employees:</b>	14,672
<b>Head office:</b>	Headquarters New Zealand Defence Force Private Bag 39997 Wellington
<b>Other offices</b>	Various locations throughout New Zealand, with major camps or bases as follows; <ul style="list-style-type: none"> <li>• HMNZ Naval Base, Devonport (Auckland),</li> <li>• Papakura Army Camp (Auckland),</li> <li>• Whenuapai Air Force Base (Auckland),</li> <li>• Waiouru Army Camp (Waiouru),</li> <li>• Ohakea Air Force Base (Bulls),</li> <li>• Linton Army Camp (Palmerston North),</li> <li>• Trentham Army Camp (Upper Hutt),</li> <li>• Woodbourne Air Force Base (Blenheim), and</li> <li>• Burnham Army Camp (Christchurch).</li> </ul>
<b>Website:</b>	<a href="http://www.nzdf.mil.nz">www.nzdf.mil.nz</a>
<b>Procurement contact:</b>	Mr Harry Lotz 04 5872 206 <a href="mailto:hendrikus.lotz@nzdf.mil.nz">hendrikus.lotz@nzdf.mil.nz</a>