

MINISTER OF DEFENCE

Counter-Uncrewed Aircraft Systems: Approval to Deliver

October 2026

This paper seeks approval to deliver counter-drone capabilities for the New Zealand Defence Force.

The pack comprises the following documents:

- July 2026 Cabinet Expenditure and Regulatory Review Committee Minute of Decision: *Counter-Uncrewed Aircraft Systems: Approval to Deliver* [EXP-26-MIN-0026];
- The associated Cabinet Paper: *Counter-Uncrewed Aircraft Systems Approval to Deliver*; and
- Appendix A: *DCP Questions – Defence Capability Plan Key Consideration*.

This pack has been released on the New Zealand Defence Force website, available at: www.nzdf.mil.nz/nzdf/search-our-libraries/documents/?document-type=Official+information&sort=relevance.

Information has been withheld in accordance with:

- Section 6(a) of the OIA: *if the making available of that information would be likely to prejudice the security or defence of New Zealand or the international relations of the Government of New Zealand*;
- Section 9(2)(f)(iv) of the OIA: *to maintain the constitutional conventions for the time being which protect the confidentiality of advice tendered by Ministers of the Crown and officials*;
- Section 9(2)(g)(i) of the OIA: *to maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to Ministers of the Crown or members of an organisation or officers and employees of any department or organisation in the course of their duty*; and
- Section 9(2)(j) of the OIA: *to enable a Minister of the Crown or any public service agency or organisation holding the information to carry out, without prejudice or disadvantage, commercial activities*.

In addition, Appendix B (*Recommended Counter Drone Systems*) has been withheld in full in accordance with section 6(a) of the OIA; and Appendix C (*Counter Uncrewed Aircraft Systems Approval to Deliver Business Case*) has been withheld in full in accordance with sections 6(a), 9(2)(f)(iv) and 9(2)(j) of the OIA:

The public interest is met with a summary of the key information that formed the basis of Cabinet's decision to invest this funding being provided by the Cabinet paper.



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.

Counter-Uncrewed Aircraft Systems: Approval to Deliver

Portfolio Defence

On 21 July 2026, the Cabinet Expenditure and Regulatory Review Committee:

- 1 **noted** the increasing threat posed by drones and the lack of current NZDF capability to counter them;
- 2 **noted** that New Zealand industry does not currently have counter-drone capability at a technical readiness level to allow for safe and reliable performance in military operations, and that the NZDF will continue to engage and progress selected companies through the Technology Accelerator program to advance sovereign counter-drone capability;
- 3 **noted** that the capital and operating costs are aligned with Defence Capability Plan 2025 priorities;
- 4 **noted** that there are some legislative barriers to utilisation of the full suite of capability, and inter-agency co-ordination and amendment to legislation will be required to clarify and broaden the legal authority for use;
- 5 **approved** Military Counter-Uncrewed Aircraft Systems (Air & Land) Approval to Deliver, attached as Appendix 3 to the submission under EXP-26-SUB-0026;
- 6 **noted** that in Budget 2026, Cabinet approved into Vote Defence Force baselines additional operating funding of s. 9(2)(i) over the four-year period 2026/27 to 2029/30, and s. 9(2)(j) per annum in the out years [CAB-26-MIN-0156.21];
- 7 **noted** that on 30 April 2025 Cabinet:
 - 7.1 agreed to establish the following tagged operating and capital contingency for Defence Capability Plan – Counter Unmanned Aircraft Systems Protective Capability as part of the Vote Defence Force Budget 2025 package

	NZ \$M - increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-				

- 7.2 agreed that drawdown of these contingencies is subject to Cabinet's approval of an Approval to Deliver;
- 7.3 agreed that the expiry date for the above tagged operating and capital contingencies be 31 March 2026;

[CAB-25-MIN-0126.19]

- 8 **noted** that Minister of Finance at the 2026 March Baseline Update agreed to extend the expiry date to 31 December 2026, and rephrasing of the Budget 2025 tagged capital and operating contingencies:

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-				

- 9 **agreed** that, as the Approval to Deliver described in paragraph 5 above has been satisfactorily completed, the Military Counter Uncrewed Aircraft System project can now proceed;
- 10 **noted** the following rephrasing of the tagged operating and capital contingencies described in paragraphs 7.1 and 8 above to the following profile to match the forecast capital and operating expenditures:

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-	s. 9(2)(j)			
			-	-	-

- 11 **approved** the following changes to appropriations and capital injections to provide for the decision in paragraph 5 above, with a corresponding impact on the operating balance and net core Crown debt:

Vote Defence Force Minister of Defence	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Capital Injection: New Zealand Defence Force - Capital Injection	-	s. 9(2)(j)	-	-	-
Multi-Category Expenses and Capital Expenditure: Defence Force Capabilities Prepared for Joint Operations and Other Tasks Multi-Category Appropriation (MCA)					
Departmental Output Expense: Army Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Departmental Output Expense: Air Force Capabilities Prepared for Joint Operations and other Tasks (funded by revenue Crown)	-				
Total Operating	-				
Total Capital	-	s. 9(2)(j)	-	-	-

- 12 **agreed** that the changes to appropriations for 2026/27 above be included in the 2026/27 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;
- 13 **agreed** that the operating expenses incurred under paragraph 11 above be charged against the Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Operating tagged contingency described in paragraph 7 above, and that the capital injection incurred in paragraph 11 above be charged against the Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency;
- 14 **noted** that following the adjustments detailed in paragraph 13 above, the tagged operating and capital contingencies described in paragraph 7 above are now exhausted and therefore closed;
- 15 **authorised** the Chief of Defence Force to commit and approve expenditure of public money up to the amount of s. 9(2)(j) capital costs and s. 9(2)(f)(iv), s. 9(2)(j) in associated operating costs in the first four years for this investment.

Sam Moffett
Committee Secretary

Present:

Hon David Seymour (Chair)
Hon Paul Goldsmith
Hon Louise Upston
Hon Chris Penk
Hon Penny Simmonds
Hon Nicole McKee
Hon Casey Costello
Hon Mike Butterick
Hon Andrew Hoggard
Hon Karen Chhour
Hon Mark Patterson

Officials present from:

New Zealand Defence Force
Officials' Committee for EXP

Office of the Minister of Defence

Chair, Cabinet Expenditure and Regulatory Review Committee

COUNTER-UNCREWED AIRCRAFT SYSTEMS APPROVAL TO DELIVER

Proposal

1. This paper asks Cabinet to approve the delivery of Counter Uncrewed Aircraft Systems (counter-drone) capabilities for the New Zealand Defence Force (NZDF).

Relation to Government Priorities

2. The Defence Capability Plan 2025 (DCP25) identifies counter-drone systems as a key capability required to achieve the Government's defence, economic and foreign policy objectives. DCP25 considerations are detailed within Appendix 1.

Executive Summary

3. This paper seeks Cabinet approval for capital investment of s. 9(2)(j) and s. 9(2)(f)(iv), s. 9(2)(j) in operating over four years to deliver an initial counter-drone capability for the NZDF. The investment costs will be met from funding provided from Budget 25 and Budget 26.
4. This proposal introduces an initial, scalable counter drone capability to detect and defend against unauthorised drones in New Zealand and during overseas deployments. The recommended capability will:
 - 4.1. Provide s.6(a) drone detection and defence capability s.6(a) from unauthorised drone activity.
 - 4.2. Provide a counter-UAS capability to protect RNZAF aircraft and personnel at air bases when deployed overseas on operations.
 - 4.3. s. 6(a)
5. These capabilities are already in use by Australia and other partners and provide interoperability and value for money. While New Zealand companies are developing promising technologies with potential to deliver future solutions, the current threat environment and capability gap require immediate acquisition of proven systems.
6. The NZDF released a Request for Information (RFI) to assess the availability of counter-drone capabilities from New Zealand industry in response to the growing threat posed from the proliferation of Uncrewed Aerial Systems. Of the 46 companies that responded, 17 have a physical presence in New Zealand, but none of these companies currently produce a counter-drone capability that meets NZDF requirements.

NZDF will continue to engage with domestic industry and support selected companies through the Technology Accelerator programme to develop sovereign counter-drone capability as a priority for future investment.

Background

7. The Military Counter Uncrewed Aircraft Systems (mC-UAS) Project recommends procurement of counter-drone capabilities s.6(a)
[REDACTED]
8. This investment represents an initial capability, deliberately scoped to address the most likely drone threats in the near term. It will not provide full protection against advanced or high-intensity drone threats seen in major conflicts such as the Russia - Ukraine War or recent conflict in the Middle East region. However, it does establish a critical foundation for future capability development, including potential expansion to systems that physically destroy drones with projectiles.
9. The mC-UAS Project recommends acquisition of counter-drone capability for RNZAF s.6(a)
[REDACTED] for protecting an expeditionary airbase during operations overseas. For the NZ Army, the Project recommends acquisition of a suite of counter-drone systems that will provide protection s. 6(a) [REDACTED] during an overseas operational deployment. The NZ Army counter-drone capability is not intended for operational use within New Zealand, except during conditions, or if requested by Government to support specific national security objectives. The table at Appendix B illustrates and explains the purpose of the recommended counter-drone capabilities
10. The Royal New Zealand Navy (RNZN) is not included in this procurement. The RNZN needs to undertake further exploration as Maritime counter-drone capability involves additional complexity. This is being examined separately as part of a wider Maritime Force Protection project and will be informed by lessons learned from this initial NZ Army and RNZAF investment.

Options Analysis

11. This Approval to Deliver identifies the following investment objectives:
 - 11.1. Investment Objective One: To establish an initial credible counter-drone capability for RNZAF Air operations to protect personnel and assets in the domestic and deployed environment.

- 11.2. Investment Objective Two: To establish an initial credible counter-drone capability for NZ Army Land operations to protect personnel and assets during deployments.
- 11.3. Investment Objective Three: To establish NZDF counter-drone capabilities that are interoperable with FVEY Partners for joint operations.
- 11.4. Investment Objective Four: To develop NZDF organisational knowledge and expertise in the operation, support and integration of counter-drone to inform ongoing capability development.
12. Options analysis was conducted predicated on scaling the quantities and variety of counter-drone equipment balanced against the relative level of capability provided by each option:

Table 1 – Options Analysis

Option	Capability Summary	RNZAF Capability	NZ Army Capability	Assessment	Decision
Option One	Baseline counter-drone capability focused on s.6(a) dismounted troops.	Counter-drone protection s.6(a)	s. 6(a)		Discounted
Option Two	Improves Army mobility through mounted systems but remains limited in scale.	Counter-drone protection s.6(a)			Discounted
Option Three	Introduces deployable protection with combined mounted and dismounted Army capability.	Counter-drone protection s.6(a)			Discounted
Option Four (Preferred)	Balanced, scalable capability providing credible domestic and	As per Option Three s.6(a)	As per Option Three and adds additional systems enabling deployment of essential enablers including logistics,		Preferred

Option	Capability Summary	RNZAF Capability	NZ Army Capability	Assessment	Decision
	deployed force protection.	s.6(a)	medical, and reconnaissance elements.	s. 6(a)	
Option Five	Maximum protection supporting larger, more complex deployed formations.	Same RNZAF capability as Option Four.	Expanded systems supporting larger Army elements including higher-level logistics, medical, and engineering support.		Discounted

Implementation

13. The procurement for the RNZAF capability will be purchased as a Direct Commercial Sale from the manufacturer. The preferred system s. 6(a), and its performance and suitability are proven in a military operating environment. s. 6(a)

14. s. 9(2)(g)(i). Both the RNZAF and NZ Army will integrate the counter-drone capability within the existing personnel resources of their respective organisational structures, however approximately 120 personnel will require equipment specific training in the first year. Anticipated future expansion of the scope of counter-drone capability will likely drive the need for some specialisation.

Financial Implications

15. The estimated capital and operating expenditure are summarised in the tables 2 and 3 below:

Table 2 - Capital Expenditure Table

\$M	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
mC-UAS Air Domain	-	s. 9(2)(j)	-	-	-
mC-UAS Land Doman	-		-	-	-
Introduction into Service	-		-	-	-
Total Cost	-		-	-	-

Table 3 - Operating Expenditure Table

\$M	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Operating Air	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Operating Land	-				
Depreciation	-				
Capital Charge	-				
Total Operating Cost	-				

Funding

16. As part of Budget 25, Cabinet set aside s. 9(2)(j) in capital funding and operating funding of s. 9(2)(f)(iv), s. 9(2)(j) over the forecast period in a tagged contingency for the mC-UAS project as per table 4 below.

Table 4 – Budget 2025 Tagged Contingencies: Defence Capability Plan – Counter Unmanned Aircraft Systems Protective Capability. [Initiative No: 16970 of CAB-25-MIN-0126.19 refers]:

	NZ \$M - increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-				

17. At the March 26 Baseline Update, the Minister of Finance approved NZDF to extend the tagged contingency expiry date from 31 March 2026 to 31 December 26, and rephasing of both the tagged capital and operating contingencies at table 5.

Table 5 – Budget 2025 Tagged Contingencies rephased at March Baseline Update 2026:

	NZ \$M - increase/(decrease)				
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	-	s. 9(2)(f)(iv), s. 9(2)(j)		
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-				

18. The Budget 25 contingency funding no longer reflects the Project's actual operating costs. It originally assumed the counter-drone capability would last 15 years with no operating costs. However, after consulting vendors, it has been determined the capability will only last five years for operations and a further three years for training before becoming obsolete. This shorter lifespan increases annual depreciation costs, requiring more operating funding. In addition, ongoing costs such as maintenance, repairs, software updates, and introducing the capability into service totals about s. 9(2)(j) per year. As a result, an additional s. 9(2)(f)(iv), s. 9(2)(j) in operating funding over four years (set out in table 6) was approved into Vote Defence Force Baselines to cover the higher depreciation and operating costs [CAB-26-MIN-0156.21].

Table 6 - Additional operating funding approved at Budget 2026 : [CAB-26-MIN-0156.21]

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan – Small Scale Capability Projects – C-UAS	-	s. 9(2)(f)(iv), s. 9(2)(j)			

19. This Cabinet Paper seeks a further rephrasing of the Budget 25 tagged capital and operating funding set out in table 4b to match the expected expenditure profile. This is summarised in the table 7 below.

Table 7 –Budget 25 Tagged Capital and Operating contingencies rephased

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-	s. 9(2)(j)	-	-	-

20. As a result of the phasing changes, table 8 sets out the operating expenditure and operating funding for the first four years and the outyears:

Table 8 – Operating Expenditure Phasing and Budget funding

\$M unescalated	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears	4 yr total
Operating Air	-	s. 9(2)(f)(iv), s. 9(2)(j)				
Operating Land	-					
Depreciation	-					
Capital Charge	-					
Total Operating Cost	-					
B25 tagged contingency operating funding rephased	-					
B26 operating funding	-					
Total Operating Funding	-					

Project Milestones

21. Procurement will be via Direct Source s. 6(a) . Defence
Commercial Services will oversee contracting. s. 9(2)(g)(i)

Table 9 - Project Schedule

Milestone Activity	Planned Completion Date
Commercial contracts produced	s. 9(2)(g)(i)
Approval to commit funds	
Delivery of mC-UAS equipment	
Approval for Interim Operational Release	
Approval for full Operational Release	
Project Closure	

Project Assurance

22. The Project is delivered under Defence's Capability Management System, which has been developed in alignment with international best practice.

Other Implications

23. There are no cost of living, climate, population or human rights implications.
24. The risks posed by drones have implications beyond Defence, including vectors such as terrorism, violent extremism, border security, and transnational and serious organized crime. In addition to the use of the counter-drone capability for Defence purposes, this capability may also support other national security objectives, including in support of domestic agencies such as Police within specific, limited circumstances, noting that the powers to respond to drones that pose national security threats sit with Police in most cases, rather than the NZDF.

Legislative Implications

25. s.6(a)

26. s.6(a)

27. s.6(a)

Consultation

28. This paper was prepared by the NZDF in compliance with the Capability Management Framework. The project has been widely consulted within NZDF and relevant Ministry of Defence advisors, Treasury, NZ Police, s.6(a)

Communications

29. If approved, any announcements will be coordinated through the Office of the Minister of Defence.

Proactive Release

30. In line with normal processes, this paper will be released. An Approval to Deliver will be presented to Cabinet and released subject to any redactions as appropriate under the Official Information Act 1982.

Next Steps

31. If Cabinet Approves to Deliver this investment, the NZDF will:
 - 31.1. Finalise negotiations and enter contracts with the preferred respondents;
 - 31.2. Draw down and commit the remaining tagged capital and operating contingencies established for this project through Budget 2025; and report back to me if there are material changes to the project costs and scope.

Recommendations

I recommend that the Committee:

1. **note** the increasing threat posed by drones and the lack of current NZDF capability to counter them;
2. **note** New Zealand Industry does not currently have counter-drone capability at a technical readiness level to allow for safe and reliable performance in military operations. The NZDF will continue to engage and progress selected companies through the Technology Accelerator program to advance sovereign counter-drone capability;
3. **note** that the capital and operating costs are aligned with DCP25 priorities;
4. **note** that there are some legislative barriers to utilisation of the full suite of capability, and inter-agency co-ordination and amendment to legislation will be required to clarify and broaden the legal authority for use;
5. **approve** Military Counter-Uncrewed Aircraft Systems (Air & Land) Approval to Deliver;
6. **note** that in Budget 26, Cabinet approved into Vote Defence Force baselines an additional operating funding of s. 9(2)(j) over the four-year period 2026/27 to 2029/30, and s. 9(2)(j) per annum in the out years [CAB-26-MIN-156.21];
7. **note** that on 30 April 2025 Cabinet [CAB-25-MIN-0126.19]:
 - 7.1. **agreed** to establish a tagged operating and capital contingency for: Defence Capability Plan – Counter Unmanned Aircraft Systems Protective Capability as part of the Vote Defence Force Budget 2025 package;

NZ \$M - increase/(decrease)					
	2024/25	2025/26	2026/27	2027/28	2028/29 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-			-	-

7.2. **agreed** that drawdown of these contingencies is subject to Cabinet's approval of an Approval to Deliver;

7.3. **agreed** that the expiry date for the above tagged operating and capital contingencies be 31 March 2026; and

8. **note** that Minister of Finance at the 2026 March Baseline Update approved to extend the expiry date to 31 December 26, and rephasing of the Budget 25 tagged capital and operating contingencies;

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	-	s. 9(2)(f)(iv), s. 9(2)(j)		
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)		-	-

9. **agree** that, as the Approval to Deliver described in recommendation 5 above has been satisfactorily completed, the Military Counter Uncrewed Aircraft System project can now proceed;

10. **note** the following rephasing of the tagged operating and capital contingencies described in recommendations 7.1 and 8 above to the following profile to match the forecast capital and operating expenditures:

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability operating tagged contingency	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency	-	s. 9(2)(j)	-	-	-

11. **approve** the following changes to appropriations and capital injections to provide for the decision in recommendation 5 above, with a corresponding impact on the operating balance and net core Crown debt;

	NZ \$M - increase/(decrease)				
	2025/26	2026/27	2027/28	2028/29	2029/30 & Outyears
Vote Defence Force Minister of Defence		s. 9(2)(j)			
Capital Injection: New Zealand Defence Force - Capital Injection	-		-	-	-
Multi-Category Expenses and Capital Expenditure: Defence Force Capabilities Prepared for Joint Operations and Other Tasks Multi-Category Appropriation (MCA)					
Departmental Output Expense: Army Force Capabilities Prepared for Joint Operations and Other Tasks (funded by revenue Crown)	-	s. 9(2)(f)(iv), s. 9(2)(j)			
Departmental Output Expense: Air Force Capabilities Prepared for Joint Operations and other Tasks (funded by revenue Crown)	-				
Total Operating	-				
Total Capital	-	s. 9(2)(j)	-	-	-

12. **agree** that the proposed changes to appropriations for 2026/27 above be included in the 2026/27 Supplementary Estimates and that, in the interim, the increases be met from Imprest Supply;

13. **agree** that the operating expenses incurred under recommendation 11 above be charged against the Defence Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Operating tagged contingency described in recommendation 7 above, and that the capital injection incurred in recommendation 11 above be charged against the Defence

Capability Plan - Counter Unmanned Aircraft Systems Protective Capability Capital tagged contingency;

14. **note** that following the adjustments detailed in recommendation 13 above, the tagged operating and capital contingencies described in recommendation 7 above are now exhausted and therefore closed; and,
15. **authorise** the Chief of Defence Force to commit and approve expenditure of public money up to the amount of s.9(2)(j) capital costs and s.9(2)(f)(iv), s.9(2)(j) in associated operating costs in the first four years for this investment.

Authorised for lodgment
Hon Christopher Penk,
MINISTER OF DEFENCE

Appendices:

1. DCP25 Key Considerations
2. Recommended Counter Drone Systems
3. Counter Uncrewed Aircraft Systems Approval to Deliver Business Case

Appendix A: DCP Questions

Defence Capability Plan Key Considerations

1. The DCP requires all future investments to consider four key questions:

a) **What is the most cost-effective and durable option?** The most cost-effective option is to establish a credible, initial mC-UAS capability for NZ Army and RNZAF that provides force protection during likely contingencies and is interoperable with Australia and other partners. This will provide solutions that, if needed, will enable the capability to be rapidly scaled up across the NZDF while future investments will provide a durable long-term solution.

b) **What is the Australian approach, and is there any reason for New Zealand to take a different approach?**

The Australian Defence Force (ADF) conducted an extensive trial and evaluation process to test and select mC-UAS capabilities in November 2025. The NZDF mC-UAS Project participated in the ADF process s.6(a)

c) **Can we partner with industry to deliver the capability differently?** NZDF released a Request for Information (RFI) to assess the availability of counter-drone capabilities within New Zealand industry. The RFI sought information on company presence in NZ, workforce, local manufacturing and sustainment, as well as product type, technological readiness, and military suitability. A total of 46 companies responded, including 17 with a physical presence in New Zealand. Analysis shows that no domestic manufacturer currently meets NZDF's immediate counter-drone capability requirements. However, several New Zealand companies are developing promising technologies that may deliver viable solutions in the future. NZDF is engaging with these organisations and, through the Technology Accelerator programme, aims to support the development of sovereign counter-drone capability for potential future investment.

d) **What is the minimum viable capability needed?** This investment will establish an initial capability for the NZ Army that provides sufficient protection s. 6(a)

For the RNZAF, the investment will deliver a capability that provides sufficient protection for s.6(a) a concurrent Forward Operating Base (FOB). This initial investment establishes a foundation capability that can be scaled up with future funding to provide mC-UAS capability for the full range of NZ Army and RNZAF operations.