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Contracts

Babcock Awarded GBP900 M Army Vehicle Contract

The contract will transform the way the army's vehicles are maintained, repaired and stored.

It also has the potential to grow to around J2 billion as a result of plans, subject to value for money, to optimise a broader scope of services.

From April 2015, Babcock will deliver and transform the services currently provided to the army by the Defence Support Group (DSG) land business.

The J900 million contract will generate total savings to the army of around J500 million over the life of the contract, a saving of over a third. The contract was awarded as part of the sale of DSG to Babcock for J140 million, which was announced in December last year.

Minister for Defence Equipment, Support and Technology Philip Dunne said:

"This contract is excellent news and puts DSG on a sustainable long-term footing to support maintenance and availability of land platforms for the army, in a similar manner to existing contracts for support of platforms for the other services."

"Babcock will provide DSG with key engineering and fleet management expertise, which it has built up over 15 years of working with the Army. DSG will also gain the potential to provide vehicle maintenance to other existing heavy vehicle customers which it is unable to do while owned by the MOD."

"The contract will also ensure the Army's continued access to improved vehicle repair and maintenance support - all at significantly better value for money for the taxpayer."

Babcock has committed to develop DSG and has already identified commercial work for DSG from within the Babcock Group.

No MOD sites will close on sale. All DSG land business staff will transfer to Babcock with their terms and conditions protected. Babcock will lead a business improvement programme over several years which is aimed at optimising the output performance of the business.

Defence Industry

Patria and KONGSBERG to pursue a major combat vehicle and weapon system program

Patria and KONGSBERG have announced a teaming agreement to pursue together a major combat vehicle and weapon system program in the Middle East region.

Patria is the market leader of modern 8x8 wheeled armoured vehicles and turreted 120 mm mortar systems with strong sales track-record. Both Patria AMV 8x8 wheeled armoured vehicle and Nemo 120 mm turreted mortar are already in use in the Middle East. Patria AMV 8x8 is currently in commission by seven nations in wide range of environments. The vehicle is combat-proven in the real mission environment. KONGSBERG offers products and systems for remotely controlled weapon systems, command and control, weapons guidance, communications solutions and missiles. The two companies make a strong team together and will now develop their solution further to meet the future customer needs.

"Together with KONGSBERG we are a strong competitor with outstanding performance, skills and solutions, enabling us to offer the state of the art systems for next generation soldiers", says Mika Kari, President of Patria's Land business unit.

"This is a strategic partnership - combining each company's unique strengths and expertise as well as our best practices means we can build even better solutions to future markets", says Espen Henriksen, President of Kongsberg Protech Systems.

Defence Industry

Security Assistance Enterprise Delivers Vehicles to Iraq

The U.S. Army Security Assistance Command, also known as USASAC, has implemented and completed a case for delivery of 250 Mine Resistant Armor Protected, or MRAP, vehicles to the Iraqi government.

This complicated and monumental task was achieved in less than 90 days by USASAC and its security assistance enterprise partners, Dec. 23.

The MRAPs refurbishment and delivery were in a

rapid response to the Iraqi government's urgent requests and were crucial in getting Iraqi military the supplies they needed in a short turnaround time. These MRAPS will enable Iraqi security forces to win the fight with the Islamic State of Iraq and the Levant, also known as ISIL, and save lives.

As the biggest threats to the Iraqi security forces are vehicle-borne bombs, improvised explosive devices, roadside bombs and the ISIL, the refurbished MRAPS provide increased protection in all those areas.

"FMS [foreign military sales] is a challenge, especially when dealing with a customer during a conflict in their country," said Wade Preston, a country program manager for Iraq in USASAC's Central Command, or CENTCOM, regional directorate. "With great teamwork and constant vigilance throughout the security assistance enterprise, we will continue to provide outstanding support to our international customers in their time of need."

The USASAC CENTCOM regional directorate's personnel accelerated coordination, refurbishment and shipment of the MRAPs with assistance from the Tank and Automotive Command, located in Warren, Michigan.

The MRAPs provided to Iraq were designated Excess Defense Articles, or EDA. Because EDA are articles deemed no longer needed by the U.S. military, they can then be transferred to certain eligible FMS countries. This enables the United States to improve those countries' defense capabilities, one of the main objectives of security assistance.

The United States also provided transportation and six months of maintenance for the MRAPs, and M162A rifles which are scheduled to be delivered sometime in early 2015.

"These MRAPs provide a crucial boost to the Iraqi army's capacity to defeat and deter threats from ISIL in their region," Preston said.