



NEW ZEALAND
GOVERNMENT PROCUREMENT

Government Procurement Rules

**New Zealand Government Procurement and
Property**

28 August 2019

Context

- Government spends approximately \$41 billion annually on goods and services
- Individual agencies do 97 per cent of the procurement
- Regulatory framework includes principles, rules and good practice guidance.



Three themes to co-ordinate Government's work

- Building a productive, sustainable and inclusive economy
- Improving the wellbeing of New Zealanders and their families
- Providing new leadership by government.



Achieving public value through procurement

“We are looking beyond just the price of what we purchase, to ensure procurement is contributing to the transition to a low carbon economy, inclusive growth, and prosperity.”

**Minister for Economic Development, 26
June 2019**



Focusing on four outcomes and priority contracts

Increase New Zealand businesses' access to government procurement

- ICT and innovation
- Māori and Pasifika businesses and businesses in the regions

Increase the size and skill level of the construction workforce

- Construction contracts over \$9 million

Improving employment standards and health and safety conditions

- Cleaning and security services contracts
- Forestry

Reducing emissions and waste

- Government's vehicle fleet
- Heating systems in government buildings
- Office consumables

Increasing New Zealand businesses' access

- New rule on creating opportunities for New Zealand businesses
- Focus on ICT, Māori, Pasifika and regional businesses
- Guidance on simplifying procurement and removing barriers.



Government Procurement Charter

- Government's expectations of how agencies should conduct their procurement activity to achieve public value. It includes:
 - Opportunities to include New Zealand businesses
 - Contributing to a low emissions economy and promoting environmental responsibility
 - Looking for new and innovative solutions
 - Engaging with businesses with good employment practices
 - Promoting inclusive economic development
 - Managing risk appropriately.

The Government's expectations of suppliers

The Supplier Code of Conduct clarifies minimum expectations in:

- Labour and human rights
- Health, safety and security
- Environmental sustainability
- Ethical behaviour
- Corporate social responsibility.



Reporting and monitoring on broader outcomes

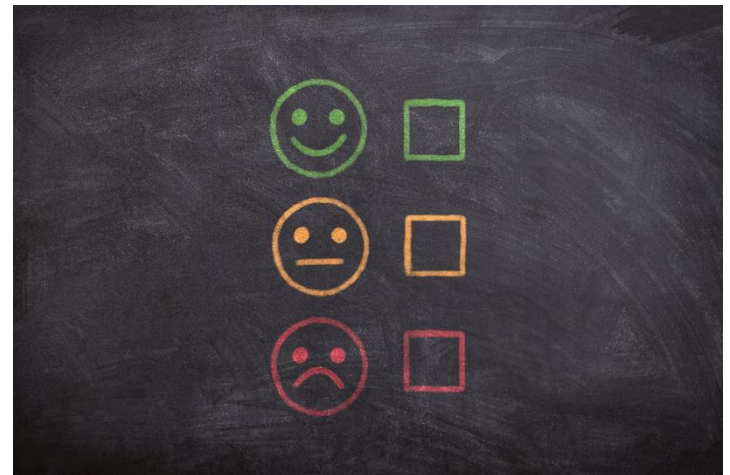
- A new reporting and monitoring framework
- Agencies will need to demonstrate how they are delivering on broader outcomes and public value
- Suppliers may need to provide more information.



Your feedback helps us improve

- Survey seeking feedback on procurement planning and sourcing
- Covers procurement by 49 agencies
- Emailed from GETS to bidders after a contract is awarded
- You can access it at:

www.research.net/r/supplierfeedbackplanningandsourcing



A few final things

- Price will always be relevant
- Not all objectives can be prioritised in any one contract
- Agencies can voluntarily seek other outcomes through their procurement activities
- Priority contracts and outcomes will be expanded over time
- Stay in touch: procurement@mbie.govt.nz.

Questions

