



Achieving wider benefits from government procurement in New Zealand



Public Procurement Principle: **Balance**



Procurement Stage: **Pre-tendering, Tendering**



Audience: **Policy maker, Procuring entity, Private sector**

Description

In New Zealand it is recognised that public procurement can and should be used to support wider social, economic and environmental outcomes that go beyond the immediate purchase of goods and services.

On 23 October 2018, the New Zealand Government agreed to a set of priority outcomes for contracting authorities to draw from their procurement activities, and identified specific contracts or sectors for initial focus.

Contracting authorities are expected to collectively focus on four priority outcomes of the greatest benefit to New Zealand:

1. Access for New Zealand businesses – Increase access to government contracts for New Zealand businesses, particularly those less able to access opportunities and those working in priority sectors (such as ICT, Maori and Pasifika businesses, and businesses in the regions).
2. Construction sector skills and training – Increase the size and skill level of the domestic construction sector workforce and provide employment opportunities to targeted groups.
3. Employment standards – Improve conditions for workers and future-proof the ability of New Zealand business to trade.

4. Reducing emissions and waste – Support transition to a zero net emissions economy and reduce waste from industry by supporting innovation.

To implement this work, the central purchasing body, New Zealand Government Procurement and Property, will undertake the following steps:

- Work with agencies and stakeholders to identify the best approach to operationalise each outcome
- Update the Government Rules of Sourcing, and develop guidance and support for agencies
- Develop a monitoring and reporting framework to track agency adoption and outcomes achieved. This will be reported to the Cabinet annually and findings will inform practice improvements

Source: OECD (2019), [Reforming Public Procurement: Progress in Implementing the 2015 OECD Recommendation](#), OECD Publishing, Paris

