

Appendix 2: Procurement Principles¹

Plan and manage for great results

- Identify what you need, including what broader outcomes should be achieved, and then plan how to get it.
- Set up a team with the right mix of skills and experience.
- Involve suppliers early – let them know what you want and keep talking.
- Take the time to understand the market and your effect on it. Be open to new ideas and solutions.
- Choose the right process – proportional to the size, complexity and any risks involved.
- Encourage e-business (for example, tenders sent by email).

Be fair to all suppliers

- Create competition and encourage capable suppliers to respond.
- Treat all suppliers equally – we do not discriminate (this is part of our international obligations).
- Seek opportunities to involve New Zealand businesses, including Māori, Pasifika and regional businesses and social enterprises.
- Make it easy for all suppliers (small and large) to do business with government.
- Be open to subcontracting opportunities in big projects.
- Clearly explain how you will assess proposals – so suppliers know what to focus on.
- Talk to unsuccessful suppliers so they can learn and know how to improve next time.

Get the right supplier

- Be clear about what you need and fair in how you assess suppliers – do not string suppliers along.
- Choose the right supplier who can deliver what you need, at a fair price and on time.
- Choose suppliers that comply with the Government's [Supplier Code of Conduct](#).
- Build demanding, but fair and productive, relationships with suppliers.
- Make it worthwhile for suppliers – encourage and reward them to deliver great results.
- Identify relevant risks and get the right person to manage them.

Get the best deal for everyone

- Get best public value – account for all costs and benefits over the lifetime of the goods or services.
- Make balanced decisions – consider the possible social, environmental, economic effects and cultural outcomes that should be achieved.
- Encourage and be receptive to new ideas and ways of doing things – don't be too prescriptive.
- Take calculated risks and reward new ideas.
- Have clear performance measures – monitor and manage to make sure you get great results.
- Work together with suppliers to make ongoing savings and improvements.
- It is more than just agreeing the deal – be accountable for the results.

Play by the rules

- Be accountable, transparent and reasonable.
- Make sure everyone involved in the process acts responsibly, lawfully and with integrity.
- Stay impartial – identify and manage conflicts of interest.
- Protect suppliers' commercially sensitive information and intellectual property.

¹ <https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-principles/>