



## Removing barriers for New Zealand businesses

The Government is committed to creating opportunities for New Zealand businesses to be involved in government procurement.

This is part of the government's plans to achieve broader outcomes from the goods and services it buys, and is a priority outcome for New Zealand.

To help achieve these outcomes, the Government Procurement Rules require agencies to:

- consider how they can incorporate broader outcomes when buying goods and services, and
- when buying ICT services or software, specifically consider how they can create opportunities for New Zealand businesses, including Māori, Pasifika and regional businesses as well as social enterprises.

For more information, see:

- [Rule 16: Broader outcomes](#)
- [Rule 17: Increase access for New Zealand businesses](#)
- [Designated contract areas](#)

## Be fair to all suppliers

Creating opportunities for New Zealand businesses to be involved in government procurement doesn't preclude other businesses from taking part.

In fact, you can't discriminate against a business because of the country they, or the goods and services they supply, come from.

All bids have to be evaluated on the best public value, which includes an evaluation of their quality, price and the broader outcomes they can achieve.

## Make it easier for New Zealand businesses to be involved

Agencies can do a lot to make it easier for New Zealand businesses to be involved in government procurement.

The things you do to make it easier for New Zealand businesses will make it easier for other business too. This is part of being fair to all suppliers.

Using the following checklists can help you structure your procurement in a way that supports New Zealand businesses to compete for government contracts:

## Plan

- Provide the supplier market with visibility of upcoming opportunities. Publish [Annual Procurement Plans](#) so that businesses know what contract opportunities are coming up and have time to prepare for them.
- Involve suppliers early. Early market engagement helps businesses position themselves to compete for contracts. Think about whether you can host supplier forums and workshops, meet the buyer events or open days where suppliers can get an understanding of your pipeline of work.
- Use Advance Notices to give businesses an early warning of contract opportunities. Your approach to market should be designed to give businesses a realistic opportunity to participate.
- Start your procurement with a Registration of Interest rather than a detailed Request for Proposal (particularly if it is a large or complex procurement). This might give suppliers the chance to quickly test whether they have the capability and capacity to deliver and save time in the long run.
- Advertise contract opportunities widely so that businesses of all sizes hear about them. Advertising on GETS is just one way to advertise. You can also use industry websites, social media, or any other channel you know suppliers use.

## Source

- Give the market more time to respond. Small and regional businesses may have fewer resources and may not be able to respond in time otherwise.
- Keep tender documents short and simple, so that businesses don't have to spend too much time and money responding to them. Always use language that makes sense to people outside of your organisation and where possible, standard documents, such as [Government model Rfx templates](#).
- Ask the right number of questions, at the right level of detail. Be clear about what you are seeking from suppliers. This can help businesses to focus their responses, and also means evaluators will get clearer information.
- Don't put too many requirements in your tender documents. Focus more on the output or outcome you want to achieve, rather than specifying how a supplier should deliver it. At the same time don't be so vague that suppliers have to guess what you want.
- Simplify your selection and evaluation criteria – make it really clear what is important to you. Make sure the [pre-conditions and mandatory requirements in your evaluation criteria](#) are proportionate to the size and complexity of the contract. For example, make sure your insurance requirements are appropriate and do not exclude suppliers unnecessarily.
- Simplify your contractual terms and conditions. Consider using a [government model contract](#), including lite versions.
- Be open to involving New Zealand businesses as sub-contractors. If local companies aren't in a position to be the main contractor, think about whether you can involve them as sub-contractors, particularly if they can provide innovative products or solutions. Think about including terms that encourage suppliers to develop New Zealand supply chains.
- Consider splitting contracts into smaller lots to create opportunities for small or specialist businesses that you are aware will not otherwise be able to participate in the tender. But not so small that you avoid applying the Rules (remember the [non-avoidance Rule](#)).

- Allow for joint bids from several businesses working together. This makes it easier for smaller businesses to work with others to bid for large and complex contracts that they couldn't do on their own. Make sure you give them enough time to prepare their documentation.
- Consider explaining in your RFP that you may select one or more solutions to deliver the requirements.
- Make it clear that bids will be evaluated based on the best public value over the whole-of-life of the goods, services or works. This means evaluating the opportunities the procurement creates for New Zealand businesses, as well as on quality and price.
- Encourage businesses to attend the debriefings you offer to unsuccessful suppliers. This is important so that they learn and know how to improve next time.

## Manage

- Work together with suppliers to identify and manage risks. You'll need to discuss who is best placed to manage the risks, and agree which ones each of you will manage.
- Consider placing an obligation on lead contractors to pay sub-contractors in 30 days or less. This helps cash flow and stimulates investment and economic growth.