



Use of woollen fibres, where practical and appropriate, in government buildings

Ministry of Business, Innovation and Employment (MBIE)

Hīkina Whakatutuki – Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

MORE INFORMATION

Information, examples and answers to your questions about the topics covered here can be found on our website: www.mbie.govt.nz or by calling us free on: 0800 20 90 20.

CONSTRUCTION PROCUREMENT GUIDELINES

The purpose of the Construction Procurement Guidelines is to provide government agencies with guidance on the government's standards of good practice. The Guidelines are intended to support government agencies to improve the quality and consistency of their construction procurement practices.

The Guidelines consist of a suite of sections, each covering a subject matter area. They are considered to be live documents which we may update and add to, from time to time, to ensure they remain current and relevant. You can download the latest version of each section, along with any accompanying tools and templates, from www.procurement.govt.nz.

To provide feedback on the Guidelines, email procurement@mbie.govt.nz.

DISCLAIMER

This document is a guide only. It should not be used as a substitute for legislation or legal advice. The Ministry of Business, Innovation and Employment is not responsible for the results of any actions taken on the basis of information in this document, or for any errors or omissions.

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Background

OVERVIEW

This Construction Procurement Guide applies to all agencies that must follow the Government Procurement Rules and sets out the Government's expectation that agencies use woollen fibres, where appropriate and practical, in government buildings.

Woollen fibres are natural, renewable, and biodegradable. They could be used in government buildings in a variety of ways, such as flooring, insulation, acoustic panels as well as furnishings.

This expectation applies to government owned buildings for new construction works with a maximum total estimated value of \$9 million and over and to refurbishments with a maximum total estimated value of \$100,000 and over.

Agencies must report annually to the Ministry of Business, Innovation and Employment (MBIE) if they have chosen not to use woollen fibres including the reasons why it was not practical or appropriate to do so.

Benefits of using woollen fibres

Government procurement activities offer an opportunity to achieve economic benefits for New Zealand. Using woollen fibres, where appropriate and practical, in government buildings may provide an opportunity to achieve economic benefits.

ECONOMIC CONTEXT

The wool sector contributed \$549 million to New Zealand's economy from exporting processed and unprocessed wool, carpets, and other wool products in the year ending 30 June 2024.

In the year ending 31 March 2022, the sector (along with the red meat sector) employed around 76,000 people in jobs across the value chain, including farming, processing, and wholesaling, shearing, scouring, wool and hide processing, and textile manufacturing.

Uptake of woollen fibre products by government agencies can help drive employment and regional development in wool producing locations, as well as encouraging sustainability and innovation in the building materials industry.

SUSTAINABILITY AND HEALTH BENEFITS

Overall benefits can include:

- utilising wool as a low-impact, sustainable construction material
- minimising energy consumption in buildings by using natural materials

- encouraging healthy environments for building occupants

Woollen fibres can offer a range of benefits that align with sustainability goals, and health priorities. As a natural, renewable resource, wool plays a key role in promoting environmental stewardship. Its use can help reduce carbon emissions in buildings while supporting local and regional wool industries, promoting economic growth, and fostering industry resilience.

Compared to the synthetic or petroleum-based materials used in construction, wool is a natural product that is less toxic, and naturally fire retardant. Wool is an available resource that is biodegradable and comparatively easier to dispose of. The natural qualities that wool has allow it to dampen sound and absorb pollutants. As wool grows, it absorbs carbon dioxide from the atmosphere.

Additionally, woollen fibres can contribute to healthier indoor environments in government buildings by naturally regulating humidity and improving air quality. As a naturally low toxicity and fire-retardant material, it can be a superior choice for insulation, upholstery, and other building components. The biodegradable nature of wool also means that its end-of-life disposal has reduced environmental impact.

DESIGN BENEFITS

There can be aesthetic and functional advantages of using woollen fibres in building designs. Wool is a versatile material that is ideal for structures made from wooden frames, as the wool has a natural synergy with timber. The fibres in the material draw out moisture, which conditions the wood and protects the building's materials.

The fibres in wool have their own natural protective layer that makes it both stain and odour resistant. It generates less static than other fabrics so attracts less dust and dirt.

Use of woollen fibres in government buildings

WHO THE REQUIREMENT APPLIES TO

Agencies that are required to follow the Government Procurement Rules are expected to use woollen fibres, where practical and appropriate, in government owned buildings.

WHAT TYPES OF GOVERNMENT BUILDINGS DOES THE REQUIREMENT APPLY TO

The requirement applies to government owned buildings, for:

- New construction works, when the maximum total estimated value of the procurement meets or exceeds the value of \$9 million (excluding GST)

- refurbishments, when the maximum total estimated value of the procurement meets or exceeds the value of \$100,000 (excluding GST)

ASSESSING IF IT IS PRACTICAL AND APPROPRIATE TO USE WOOLLEN FIBRES

Agencies must assess whether it is practical and appropriate to use woollen fibres and document this. Agencies may assess and document whether it is practical and appropriate to use woollen fibres for new construction works and refurbishments at a portfolio level or build the assessment and documentation into procurement processes.

When assessing if it is practical and appropriate to use woollen fibres agencies should consider a range of factors including but not limited to:

Cost

The whole-of-life cost and overall cost-effectiveness of using woollen fibres in comparison to other materials. For example, in addition to the up-front price, also consider the ongoing and end of life costs associated with materials.

Compliance with New Zealand Standards

Compliance with New Zealand Standards as well as with any standards that an agency has developed to meet the requirements of their portfolio. For example, where an agency has developed standards to ensure that a building is fit-for-purpose given the intended use.

Technical and functional requirements

The specific technical and functional requirements of the project and for the intended use of the building. For example, product performance and durability.

Supply

The available supply of woollen fibre products to meet project requirements and delivery timelines.

Sustainability and wellbeing

The relative sustainability and health benefits of using woollen fibres rather than artificial fibres.

Building the expectation to use woollen fibres into the procurement process

If agencies build the assessment and documentation of whether it is practical and appropriate to use woollen fibres into procurement processes they should consider this across the procurement lifecycle.

PLANNING - IDENTIFY OPPORTUNITIES TO USE WOOLLEN FIBRES EARLY

- Start thinking about and identifying potential opportunities for using woollen fibres, where practical and appropriate, in government buildings as early in the procurement process as possible.
- When documenting your procurement requirements, in addition to specifying:
 - the standards, technical and functional requirements that need to be met and any outcomes you need to achieve
 - whether there are any mandatory requirements or pre-conditions suppliers must be able to meet
 - opportunities for the using woollen fibres and to achieve economic benefits
- To evaluate the proposals you receive, you will need to develop evaluation criteria that potential suppliers need to meet and determine how those will be prioritised or weighted relative to each other. You should build factors such as cost, compliance with New Zealand Standards, technical and functional requirements, supply, and sustainability and wellbeing into your evaluation criteria. These are set out in the [*Assessing if it is practical and appropriate to use woollen fibres*](#) section.

SOURCING - SIGNAL A COMMITMENT TO USING WOOLLEN FIBRES WHERE PRACTICAL AND APPROPRIATE

In your procurement documents:

- Include a statement of your agency's commitment to using woollen fibres, where practical and appropriate in government buildings.
- Ensure procurement specifications and requirements are clearly set out, including any pre-conditions. It's best to describe your requirements and outcomes and see what solutions suppliers offer. This approach supports the development of more innovative, and potentially better value, solutions and avoids creating barriers to products or suppliers.
- Include all evaluation criteria that will use to assess responses, including an indication of the relative importance or weighting of each evaluation criterion.

EVALUATION – BUILD YOUR ASSESSMENT OF WHETHER IT IS PRACTICAL AND APPROPRIATE TO USE WOOLLEN FIBRES IN TO YOUR EVALUATION

- Including the factors set out in the [*Assessing if it is practical and appropriate to use woollen fibres*](#) section in your evaluation criteria builds the assessment of whether it is practical and appropriate to use woollen fibre options into the procurement evaluation stage.

- Maintain good records of evaluation scoring against the selection requirements and criteria and the rationale for scores. These will form a key part of the documentation of the decisions you make when assessing whether it is practical and appropriate to use woollen fibres.

DOCUMENTING THE ASSESSMENT

Decisions made when assessing whether it is practical and appropriate to use woollen fibres must be documented.

Where an agency decides that a woollen fibre option is not practical or appropriate, either at a portfolio level or as part of a procurement process, they must document the reasons why.

If an agency assesses whether woollen fibres are practical or appropriate as part of the procurement process and they did not receive any woollen fibre options in response to a tender, they should record this.

Monitoring and reporting

Agencies are required to report to the Ministry of Business, Innovation and Employment (MBIE) on an annual basis if they have chosen not to use woollen fibres as well as the reasons why woollen fibres were not practical or appropriate.

This information may be reported to Ministers and published on the MBIE website.