



Procurement and Developmental Funding Policy

Policy preamble and purpose

The Ministry for the Environment's purpose, as New Zealand's lead advisor on the environment and climate, is to enable people and places to thrive, now and in the future.

Effective procurement and departmental funding helps us achieve our purpose by delivering projects on time and within budget. It means less cost of doing business for all involved, and reduces our exposure to commercial risk. Effective procurement can improve productivity and support supplier innovation.

This policy provides a structure for how the Ministry undertakes:

- procurement - procures goods and services and manages ongoing contracts. It reflects government guidance and the standards required by law
- departmental funding - the use of departmental budget to fund external parties' activities to support the work of the Ministry.

Who is covered by the policy

The policy applies to:

- all employees of the Ministry
- contractors
- other temporary staff
- suppliers
- agents acting on behalf of the Ministry.

All are referred to as staff for the purposes of this policy.

Policy principles

The Government Procurement Principles (the Principles) apply to the Ministry and provide the overarching values.

The principles are to be used for guidance and to help make good procurement and departmental funding decisions. They apply even if the Rules do not. The six principles are:

- plan and manage for great results
- be proportionate and right-size the procurement/departmental funding arrangement
- be fair to all suppliers/funding recipients
- get the right supplier/funding recipients
- get the best deal for everyone
- play by the rules.

[Government procurement principles | New Zealand Government Procurement and Property](#)

Policy statements

This Policy applies to all Ministry activity involving planning, selection, engagement and management of, and;

- purchasing goods, works and services from suppliers; and
- funding external parties' activities from department funds to support the work of the Ministry.

These activities are carried out in accordance with the Government Procurement Rules (the Rules),¹ the Principles,² the Government Procurement Charter,³ and the process and guidance located in Te Taiao.

The Ministry has a responsibility to the public for the way in which it carries out its procurement and departmental funding and spends public money.

The expected procurement practices at the Ministry, namely:

- consider economic benefits to New Zealand within procurement/departmental funding activity (Rule 8)
- use effective, efficient, and fit-for-purpose procurement/departmental funding approaches based on value, risk, and complexity
- purchase from government collaborative contracts or existing supply contracts where suitable
- ensure financial approvals are in place before releasing opportunities to the market
- give all suppliers and funding recipients a full and fair opportunity to compete
- choose suppliers and funding recipients that meet requirements and offer best value-for-money over the lifetime of goods or services or works
- have a signed agreement in place before delivery begins

¹ [Government Procurement Rules | New Zealand Government Procurement and Property](#)

² [Government procurement principles | New Zealand Government Procurement and Property](#)

³ [Government Procurement Charter | New Zealand Government Procurement](#)

- prepare contract management plans for all agreements, scaled to value, complexity, risk, and duration
- engage with Māori, Pasifika, regional businesses, and social enterprises
- integrate environmental, social, and governance criteria into decisions for sustainable outcomes
- ensure ethical behaviour by both the Ministry and suppliers/funding recipients in line with the Supplier Code of Conduct⁴
- ensure conflicts of interest are declared and managed in accordance with Ministry processes.

Procurement guidance and procedures

More specific guidelines and procedures are in Te Taiao ([Procurement services and Departmental Funding](#)) relating to:

- conflicts of interest declaration and management in procurement and departmental funding processes
- key roles and responsibilities
- procurement process
- departmental funding process
- procurement team service levels.

The above guidelines and procedures are approved by the General Manager, Finance and Procurement.

Emergency procurement

The Ministry recognises that in an emergency (as defined by New Zealand Government Procurement), we may need to depart from usual procurement processes in order to respond effectively. We will still follow best practices for emergency situations including:

- documenting our emergency procurements during the event, or as soon as possible afterwards
- acting within existing delegated authority, where possible
- if there is no existing delegated authority, and no time to obtain an approval, exercising good judgement and being prepared to provide a rationale for procurements
- if a procurement involves a major expense, obtaining verbal approval, at the very least, the CE or BCART Emergency response lead – followed up in writing – before making a commitment.

[Emergency procurement | New Zealand Government Procurement](#)

⁴ [Supplier code of conduct | New Zealand Government Procurement](#)

Relevant Ministry policies

The following associated Ministry policies and guidelines should be complied with:

- Responsibilities of a public servant [Internal document]
- Conflicts of interest policy [Internal document]
- Financial Delegations and Expenditure Policy [Internal document]

Measures of success and compliance management

The General Manager, Finance and Procurement will assess the effectiveness of this policy. The following measures of success outline what we expect to see if the policy is working:

- no breaches of the Government Procurement Rules; and
- payments to suppliers are made within the timeframes set by Government (eg 95% within 10 working days or 5 days for e-invoicing).

The GM Finance and Procurement will monitor compliance with this policy as follows:

- quarterly reporting on compliance with the Government Procurement Rules; and
- quarterly reporting on supplier payment times.

Definitions and terms

A full list of definitions is available on the MBIE website:

[Definitions](#) | [New Zealand Government Procurement and Property](#)

Version and review dates

Version	3.0	Policy owner	General Manager, Finance & Procurement
		Policy Approver	Te Mīmiro
Last updated	February 2026	Next review	February 2029
Material changes to Previous Version	Updated to align with new Government Procurement Rules and merge procurement and departmental funding policies		
Previous Version	2.0	Policy owner	General Manager, Finance & Procurement
Last updated	13/11/2024	Next review	13/11/2025
Version	1.0	Policy owner	Director, Operations
Last updated	11/10/2023	Next review	11/10/2024

