



Progressive Procurement - Buyers' factsheet

Increasing supplier diversity for government procurement

The Progressive Procurement Policy

Government agencies must increase the diversity of their suppliers, initially by focusing on Māori businesses. This policy was agreed by Cabinet in November 2020 to support whānau Māori enterprise and to increase opportunities for procurement.

Main Features:

- ▶ The definition of a Māori business (Māori Authority as classified by IRD or a minimum of 50 percent Māori ownership)
- ▶ A target of 5 percent of the total number of procurement contracts for buyers (mandated government agencies) are awarded to Māori businesses
- ▶ Intermediary organisations to act as a broker, matching, and connecting buyers and suppliers to realise procurement opportunities
- ▶ Supporting sustainable, long term behavioural change of government agencies and businesses.



Are you a buyer?

If you are a mandated government agency you are a buyer for the terms of this policy. **See the list at** procurement.govt.nz/about-us/mandate-and-eligibility/eligible-agencies-procurement.



Investing in our supplier diversity

For more information visit our webpage tpk.govt.nz/progressiveprocurement

Leading the mahi - Te Kupenga Hao Pāuaua

Te Kupenga Hao Pāuaua is the project team jointly led by Te Puni Kōkiri and the Ministry of Business, Innovation and Employment. Its purpose is to prototype approaches to reduce barriers for Māori businesses to engage in government procurement processes and assist government agencies to implement the progressive procurement policy. Te Kupenga Hao Pāuaua means to cast the fishing net wide and be enterprising.

Te Kupenga Hao Pāuaua supports mandated government agencies by:

- identifying what databases are available of Māori businesses and the sectors and regions they cover
- providing you with tools and training to be “match fit” to implement the policy and report against the policy
- providing you with opportunities to engage with Māori businesses to learn more about the services they provide through supplier briefings
- giving you avenues to feedback to us on opportunities and barriers to the implementation of the policy. This will assist us to shape the policy overtime.

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Process for Buyers: Getting Match-Fit

Tuatahi/1: Change

Promote supplier diversity by being willing to remove barriers and change behaviour to support the progressive procurement policy. To enable you to capture new suppliers that are Māori businesses from 1 July 2021, we recommend that you insert a Māori business identifier into your financial/contract management systems and tender documents.

Tuarua/2: Plan

Think about which of your current suppliers are Māori businesses.

Tuatoru/3: Procure

Ensure that procurement/contract opportunities are promoted to Māori businesses through GETS, agency websites, intermediaries or other appropriate channels in an open and transparent manner. Remember to ensure that processes are kept simple and truly reflect the value and complexity of the requirement. Experiment with agile and innovative ways to engage with Māori business that reduce the resources required to respond.

Tuawahā/4: Manage

Manage the contract and relationship with the Māori business to ensure successful delivery of the contract. This includes providing feedback for supplier growth and receiving feedback from your supplier.

Requirements for Buyers

Tuatahi/1: Achieving the target of 5 percent

Remove barriers and change behaviours to identify appropriate opportunities to procure goods, services, and works from Māori businesses to achieve the 5 percent target.

Tuarua/2: Reporting

Provide timely and accurate reporting against the 5 percent target of agency contracts being awarded to Māori businesses to ensure progress can be tracked on this important initiative.