

Procurement and Contract Management Policy

Operational Policy

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Introduction

As a risk-based regulator, Maritime NZ requires timely access to specialised services, technology, infrastructure, vessels, and professional expertise to support and enable Te Korowai o Kaitiakitanga, our organisational strategy.

To ensure we procure goods, services and solutions and manage contracts that are proportionate to the procurement need in a manner that is lawful, ethical, transparent and fair, and that delivers public value this Procurement and Contract Management Policy defines how Maritime NZ conducts procurement activities.

This policy should be read alongside our other policies and documents:

- [Financial Delegations Policy](#)
- [Treasury Funding and Reserves Policy](#)
- [Fraud, Bribery and Corruption Policy](#)
- [Grants Policy and Framework](#)
- [Risk Management Policy](#)
- [Code of Conduct](#)
- [Legal Advice Policy](#)
- [Privacy Policy](#)
- [Protective Security Policy](#)
- [Environmental Sustainability Strategy](#)
- [Data and Information Management Policy](#)
- [Gifts and Gratuities Guidelines](#)
- [Learning and Development Policy](#)

Scope

This policy applies to all staff, contractors, consultants and anyone authorised to act on behalf of Maritime NZ to procure and/or manage goods, services or solutions. It applies whether they are casual, fixed-term or permanent, and whether they are working in or outside New Zealand.

This policy does not apply to recruitment of permanent or fixed-term staff, statutory or Ministerial appointments, gifts and gratuities expenditure, unconditional grants or sponsorship, core Crown legal matters, public or regulatory prosecutions, individual staff development, and services from other government agencies.

Conditional grants must align with and uphold core procurement principles, including fairness, transparency, integrity and value for money. They must be used solely to support defined outcomes and not to procure goods, services or solutions for Maritime NZ's direct benefit. Where a supplier relationship exists, or where Maritime NZ receives direct benefit, this policy applies. For conditional grants, refer to the Grants Policy and Framework.

Principles and Charter

This policy aligns with the Ministry of Business, Innovation and Employment (MBIE) Government Procurement Rules (the Rules) and the Government Procurement Charter, which set the standard for good procurement decisions.

Procurement Principles

This policy is based on the Government Procurement Principles.

- a. Plan and manage for great results.
- b. Be proportionate and right-size the procurement.
- c. Be fair to all suppliers.
- d. Get the right supplier.
- e. Get the best deal for everyone.
- f. Play by the rules.

Procurement Charter

Procurement activity will be conducted in line with the Government Procurement Charter to:

- a. Deliver economic benefits to New Zealand.
- b. Look for new and innovative solutions.
- c. Engage with businesses with responsible business practices.
- d. Promote inclusive economic development within New Zealand.
- e. Manage risk appropriately.
- f. Encourage collaboration for collective impact.

Definitions

This table sets out definitions of terms relevant to this policy.

Term	Definition
All of Government (AoG) Contract	A type of collaborative contract, usually a panel contract, established by MBIE or the Department of Internal Affairs (DIA) as approved centres of expertise for common goods or services (for example, vehicles, laptops and recruitment services).
Bid Rigging	Arrangements between bidders to predetermine who will win a tender or competitive quote. This may involve bid suppression, complementary (non-competitive) bids, or rotating winners.

Term	Definition
Collusion / Cartel Conduct	Agreements between competitors not to compete. This includes price fixing, restricting output, carving up markets, or rigging bids.
Contract Manager	A staff member responsible for ensuring that agreements with Maritime NZ suppliers or vendors deliver the expected value, comply with legal and policy requirements, and appropriately manage commercial and performance risks on behalf of Maritime NZ.
Contract Management Information	All data, documents, records and insights that support the planning, execution, monitoring and governance of a contract throughout its lifecycle, and help ensure contracts are established, managed and reviewed effectively to deliver the intended outcomes.
Direct sourcing	A procurement process in which a single supplier is invited to provide a proposal or quote for a contract opportunity.
Economic benefits	Positive financial and economic impacts resulting from a procurement decision, project, or investment, while also considering sustainability principles. This means achieving value for money and supporting long-term economic growth without compromising environmental or social outcomes.
Emergency	A sudden, unforeseen event that may cause injury, loss of life, or significant damage to property, infrastructure, or Maritime NZ's ability to operate effectively.
Exemption request	A request to undertake a procurement activity through a recognised and agreed set of circumstances where Maritime NZ does not need to openly advertise the contract opportunity or follow the minimum policy standards.
GETS	The New Zealand Government Electronic Tenders Service used to advertise government contract opportunities. Tender information and documents are published through GETS.
High-risk procurement	Any procurement activity where failure could cause major financial, operational, legal, reputational or safety consequences for Maritime NZ, and which therefore requires increased oversight and mitigation.
Open Competition	Publishing a contract opportunity on GETS and other sources inviting all interested domestic and international suppliers to participate by providing a bid.
Opt-out request	A request to use a specific type of procurement activity where Maritime NZ can choose to opt out of applying most of the Government Procurement Rules.
Services order	A document issued under an existing panel, framework, or other secondary procurement arrangement to engage a supplier for a defined scope of services. It sets out the applicable scope, deliverables, price, term, and any relevant arrangement-specific conditions.
Secondary procurement	The ability to purchase goods, services or solutions from suppliers that have already been pre-qualified or appointed through an earlier open procurement process. This includes an All-of-Government

Term	Definition
	contract, common capability contract, syndicate contract, or Maritime NZ's own panel or pre-qualified supplier list.
Sensitive matters	Issues, information, or circumstances arising during procurement activity that carry heightened legal, ethical, reputational, commercial, or security risk to the organisation.
Whole-of-life	Considering all costs and impacts associated with a product, service, or asset over its entire lifecycle, not just the initial purchase price. Also known as total cost of ownership.

Policy statements

Legislative and Policy Compliance

All procurement activity must comply with applicable legislation and common law obligations, recognise New Zealand's international trade obligations and interests, and adhere to the Government Procurement Rules.

All procurement activity and decisions must be conducted in accordance with Maritime NZ's Financial Delegations Policy and all other approved policies as appropriate.

Segregation of Duties

All procurement activities must maintain appropriate segregation of duties to ensure integrity, transparency and accountability. Key stages of the process, such as initiation, evaluation, approval and contract award, should be allocated across separate roles wherever practicable. Any departure from this must be justified, documented and approved to manage real or perceived conflicts of interest.

Probity and Integrity

Our decisions and practices must be able to withstand public scrutiny at all times. Demonstrating high standards of probity is essential to maintaining public confidence in our public services and to meeting judicial, Ombudsman or Auditor-General review.

Maritime NZ is committed to integrity in all procurement. Procurement processes must prevent, detect, and respond to fraud, corruption, bribery, collusion, and other unethical conduct throughout the procurement and contract lifecycle.

Fraud risk must be actively identified, assessed, documented, and managed proportionately to the value, risk and complexity of the procurement.

Conflicts of interest must be declared, recorded and appropriately managed.

All procurement documentation must be retained in Maritime NZ's electronic document and records management system. (FileM8)

Transparency and Reporting

We will meet applicable transparency requirements under the Government Procurement Rules, including publishing contract opportunities and contract award information where required.

We will maintain complete, accurate and timely procurement and contract records to support accountability, auditability, and review by the courts, the Ombudsman and the Auditor-General.

Planning and Risk Management

We will identify and document procurement and contract management risks early, assign responsibility for managing them, and include mitigation measures in plans and contracts.

For procurements that are subject to the Government Procurement Rules, we will identify, evaluate and monitor economic benefits to New Zealand in accordance with the Rules. Where applicable, economic benefits will be included in the evaluation methodology as a weighted criterion and reflected in contract terms, performance measures and reporting.

We will consider whole-of-life costs in all decisions, ensuring that assumptions are documented, and transparent to achieve value for money.

We will assess the potential effects of our procurement decision on the market to support fair competition, sustainability, and long-term supplier capability.

We will actively design and manage procurement processes to prevent collusion, bid rigging, safeguard public value, and maintain integrity in supplier selection.

We will apply fair, transparent, and consistent evaluation methods in all procurement activities, and keep commercially sensitive and confidential information secure.

We will build strong, transparent partnerships with suppliers and contract with suppliers who uphold the expectations outlined in the Supplier Code of Conduct.

Complaints

We will handle complaints promptly, fairly, and transparently. Complaints will be acknowledged, assessed without bias, and documented to ensure accountability and continuous improvement.

Procurement thresholds

To support procurement decision making, the following thresholds set the minimum procurement approach only, unless advised differently by Maritime NZ's procurement function. They do not confer authority to approve expenditure, award a contract, or sign contractual documents. All approvals and commitments must be made in accordance with Maritime NZ's Financial Delegations Policy, based on the whole-of-life value of the procurement. Corresponding procurement processes, guidance and templates are accessible via Stingray.

Where panel arrangements or secondary procurement are used (including AoG panels, common capability, syndicate or Maritime NZ panels), the decision to use the arrangement, the method for selecting the supplier(s), the value-for-money rationale, and the resulting documentation (for example, a services order) must be documented and retained.

Threshold (Whole-of-life cost)	Planning document	Minimum procurement approach
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Under \$10,000	Email, quote record, or memo	<ul style="list-style-type: none"> • Check whether an existing contract, panel, AoG arrangement, or preferred supplier can be used. • If not, direct sourcing may be used.
\$10,000 to \$49,999	Procurement Plan (xtra-lite)	<ul style="list-style-type: none"> • Use an existing contract, panel, AoG arrangement, or qualified supplier list where appropriate. • If a new approach to market is needed, obtain at least one written quote.
\$50,000 to \$99,999	Procurement Plan (lite)	<ul style="list-style-type: none"> • Use an existing lawful arrangement where appropriate, including panels, qualified lists, AoG arrangements, common capability, syndicate contracts, or other secondary procurement arrangements. • If no suitable arrangement exists, obtain a minimum of two written quotes from qualified suppliers unless direct sourcing is justified and approved in accordance with this policy.
\$100,000 and over	Procurement Plan (full) aligned to business case or project initiation documentation	<ul style="list-style-type: none"> • Where an appropriate panel or secondary procurement arrangement exists, it may be used with a documented selection method and value-for-money rationale. • Otherwise, openly advertise through GETS unless an exemption or opt-out applies.

Contracting Arrangements

The minimum procurement approaches outlined above may be delivered through a range of approved procurement mechanisms and contract types, depending on the nature, complexity, and value of the requirement. These include (but not limited to):

Contracts / Agreements, Panel arrangements, standing offers, Purchase orders, Service Order/ work orders and variations to existing contracts.

Legal review is required where any of the following apply:

- a) Contracts over \$50,000.
- b) A supplier wants changes to the terms and conditions of our standard contracts (including statement of works / purchase order terms and conditions)
- c) A supplier wants to use their own terms and conditions.
- d) High risk procurement.

Contract Management

All contracts must be managed in accordance with their agreed terms and conditions, ensuring obligations are met by both parties throughout the contract lifecycle.

All contracts must have an appropriate contract management plan, scaled to reflect their value, complexity, risk and duration, and maintained throughout the life of the contract.

All contracts must have clear performance measures, including for the delivery of any economic benefits, and be regularly monitored against agreed deliverables, timelines and quality standards to ensure value for money and mitigate risks.

Maritime NZ will promote constructive supplier relationships and continuous improvement over the life of each contract, including identifying opportunities for innovation, efficiency and value for money where appropriate.

All contracts and contract management information must be captured and actively recorded in Maritime NZ's contract management system to maintain transparency and auditability.

Maritime NZ will use procurement and contract data to actively analyse and monitor risks in order to strengthen governance, ensure compliance, and support timely, informed decision-making. Findings will be reported to senior leadership to improve procurement controls.

Any disputes, variations or performance issues must be addressed promptly through established escalation procedures, as outlined in the contract management plan, to protect Maritime NZ's interests and maintain supplier relationships.

Emergency / Incident response

In an emergency or incident response, Maritime NZ may need to depart from standard procurement processes where necessary to respond effectively.

Emergency procurement activities must always remain lawful, reasonable and maintain the highest standards of integrity.

All emergency procurement decisions, approvals, costs and justifications must be documented.

Following an emergency procurement, Maritime NZ will complete a post-incident review (proportionate to the risk and spend) to confirm the rationale, approvals, supplier selection approach, and lessons learned. Findings will be reported to senior leadership and recorded in FileM8.

Sensitive Matters

Procurement activities conducted under the CE's delegated authority may, where justified by the sensitive nature of the matter, depart from standard procurement processes.

All such procurements must always remain lawful, reasonable and maintain the highest standards of integrity.

All sensitive matter procurement decisions, approvals, costs and justifications must be documented.

Procurement Conflicts of Interest

Everyone involved (or expected to be involved) in procurement activity must complete a conflicts of interest declaration at the initiation stage, reconfirm it at key stages (including evaluation, negotiation and contract award), and update it whenever circumstances change.

Individuals with a declared or identified conflict of interest must not influence, participate in, or make decisions related to the procurement process for which the conflict exists.

Where a conflict of interest is identified, this must be managed and mitigated appropriately to ensure fairness and integrity.

All procurement conflicts of interest declarations will be maintained in a centralised register, held by the Procurement function.

Suppliers are required to declare any conflicts of interest that may affect their engagement with Maritime NZ. Failure to disclose may result in exclusion from the procurement process or termination of the contract.

Gifts or hospitality offered during procurement activity must be declared and managed under the Gifts and Gratuities Guidelines.

Policy compliance

This policy is underpinned by Maritime NZ's Code of Conduct and organisational values and principles. Maritime NZ expects its people to be honest and trustworthy in everything they do, and act in accordance with the Code of Conduct. Failure to comply with this policy may be considered a breach of the Code of Conduct.

If compliance with this policy is not possible, an exemption must be requested formally, submitted to the Policy Owner, and approved in writing before proceeding.

Disclaimer

This policy provides information about how Maritime NZ makes decision on its Procurement and Contract Management activities. This document is not a substitute for legislation.