Te Tira Tiaki
Government Communications Security Bureau

Te Pā Whakamarumaru
New Zealand Security Intelligence Service

Joint Policy | JP-002

Joint GCSB and NZSIS Procurement Policy

Policy owner	Deputy Director General Finance, Commercial and Property
Approval authority	Director-General of Security Director-General of the GCSB
Approval date	29 May 2026

Contents

Introduction

Purpose

1. The intent of the Procurement Policy is to enable the GCSB and NZSIS to procure goods and services to achieve their mission using a fair and transparent procurement process to ensure public value and compliance with legislative and regulatory requirements.

2. The impacts of the Procurement Policy are to ensure:

    a. GCSB and NZSIS commercial procurement practices comply with the New Zealand Government Procurement Rules.

    b. GCSB and NZSIS have the goods, services and resources to meet their legislative, strategic, operational and organisational requirements.

    c. GCSB and NZSIS safeguard the integrity of procurement activities and processes ensuring it is fair, transparent, reasonable, lawful and responsible.

    d. Staff understand the mandatory requirements and their role and responsibilities when procuring goods and services for the GCSB and/or NZSIS.

Scope

3. This policy applies to GCSB and NZSIS staff involved in the procurement of goods and services for the GCSB and NZSIS including professional services providers, contractors and consultants.

4. This policy does not apply to:

    a. The recruitment of employees outlined in the Recruitment Policy.

    b. Travel related business expenses outlined in the Joint Travel Policy.

Government Procurement Principles

5. Staff are to adhere to the following Government Procurement Principles throughout the procurement lifecycle:

    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, and

    f. play by the rules.

6. In applying the Government Procurement Principles, staff will:
   a. Work with Commercial Services to use market and supplier information to plan and deliver effective and efficient procurement activities.
   b. Look for opportunities to consolidate their needs with others in the business, removing duplication and increasing public value from our procurement activities.
   c. Use the right tools to leverage market opportunities, ensuring every process is effective for us and the suppliers.
   d. Make it easy and attractive to work with the GCSB and/or NZSIS, including finding opportunities to work with new suppliers.
   e. Plan and deliver procurement activities that deliver public value, economic benefits for New Zealand, and support our security requirements.
   f. Where possible, involve New Zealand suppliers in our procurement activities.
7. Staff will ensure our procurement activities are always transparent, reasonable, impartial, protect commercial in confidence information and intellectual property, and staff will act responsibly, lawfully and with integrity throughout the procurement lifecycle.

Government Procurement Charter

8. Staff must procure goods and services on behalf of the GCSB and/or NZSIS in accordance with the Government Procurement Charter to deliver public value. Refer to the Commercial Services Toolkit for more information on the Government Procurement Charter.

Authority

9. This policy takes into consideration the following:
   a. Public Finance Act 1989
   b. Contract and Commercial Law Act 2017
   c. Commerce Act 1986
   d. Intelligence and Security Act 2017
   e. Privacy Act 2020
   f. Treaty of Waitangi
   g. International trade agreements
   h. Government Procurement Rules
10. The NZIC procurement process must comply with:
    a. Government mandated expectations and obligations.
    b. Prohibitions against countries, organisations and individuals.

c. Export and import controls for goods, including restricted goods.

Effective Date

11. This policy is effective from 30 July 2026.

Definitions

12. The following terms used in this policy are defined in Table 1 below.

Term	Definition
Commercially Sensitive Information	Information that, if disclosed, could prejudice the supplier's commercial interests and compromise fair competition between suppliers. This includes the methods and practices, design and content of a tender, trade secrets and 'know-how', new ideas, innovative solutions, pricing structures, profit margins, and market strategies.
Consultant	Provides advice and support to an Agency for a particular project or time-bound activity, normally where the agency does not have the necessary skills readily available. Work is performed under the Agency's direction and oversight but the consultant is managed as part of the consultancy firm's workforce. A consultant is engaged on a contract, not an employment agreement. A consultant is not a professional service provider.
Contract	Any arrangement, agreement or otherwise entered into with a supplier, whether in writing or not, recording the rights and obligations of the parties. A contract includes an arrangement or agreement where no money is exchanged, provided there is legal consideration, but does not include an arrangement or an agreement between one or more of the Agencies and another government (domestic or international) agency. A purchase order is a type of contract.
Contract Manager (also known as Contract Owner)	The person accountable for managing and monitoring a contract between an agency and a supplier for the purposes of ensuring the contractual obligations of both parties are met, risks are minimised and value is maximised. The contract manager ensures we get the goods and services required, on time, with the right quality and quantity, and in accordance with our specifications.
Contractor	Someone providing backfill, or is a resource that is being used as additional capacity for a period of time, or as resource for a particular project or time-bound activity. A contractor may be a sole trader or be contracted through an agency. A contractor is not a professional service provider. A contractor is engaged on a contract, not an employment agreement.

Term	Definition
Emergency Procurement	In an emergency situation where an Incident Governance Group (IGG) has been set up, there is a need to react immediately by purchasing goods or services which, if not delivered immediately or urgently, the condition on the ground will deteriorate and harm is likely to occur. Emergency procurement is likely a declared local or national emergency and may include relocating major infrastructure (power, gas or water) to safe sites.
Framework Agreement	A long-term agreement between the GCSB and/or NZSIS and a supplier that has been established to expedite the agreement of future contracts or transactions for specified types of goods or services on pre-agreed terms and conditions. A framework agreement includes (without limitation) a master services agreement, a master services and deliverables agreement, or a head agreement. For example, a three-year framework agreement with a supplier for the provision of stationery and office furniture.
Goods and Services	Goods and services are, without limitation, the goods, equipment, products, services, property, works (construction or otherwise), activities, supplies, resources, licences, hardware, labour, insurances, equipment, or chattels. Services may include an obligation not to do something, for example, an obligation not to use intellectual property generated under a contract for the benefit of any other entity or person.
NZIC Procurement Process	Specific organisational requirements to procure goods or services as specified in the Commercial Services Toolkit.
Panel Rules	Procurement rules determine how staff identify the right supplier from the panel for each procurement activity. Panels, framework agreements and associated panel rules and processes are published in the Commercial Toolkit.
Procurement Lifecycle	All the activities associated with purchasing of goods and services, from identifying a potential need through planning, delivery, maintenance, contract management, and cancellation or completion, including in some cases disposal or expiry.
Procurement Panel	A group of two or more suppliers who have been selected through an approved procurement process (the primary procurement process) to deliver specified goods and services under a framework agreement. A panel includes any all-of-government panel, including Marketplace where the agency has reached prior agreement to use the panel and relevant suppliers.
Professional Service Provider	Professionals in their chosen industry (including construction and property) who deliver technical or specialist services (temporarily or on-going) to manage and deliver a business activity or a core function which the Agency has decided to outsource. Services are performed on request, but not under the direction and oversight, of the Agency. A professional service provider is engaged on a contract, not an employment agreement. For example, cleaners or an external Employee Assistant Programme (EAP) provider.

Term	Definition
Public Value	Good quality – a fit for purpose solution that is effective, efficient and delivered in the right way. Good outcomes – delivering economic, social, environmental and cultural benefits throughout procurement activities. Good price – upfront, ongoing and end of life costs are considered across the whole life of the contract.
Staff	For the purpose of this policy, staff means in the broadest sense any employee, contractor, integree or secondee employed or engaged by either the GCSB or NZSIS who is responsible or accountable for undertaking a role or action at any time during the NZIC Procurement Process.
Supplier	A legal entity (whether a company, trust or individual) engaged to perform, provide, deliver or make available the goods and services described in a contract. A supplier includes (without limitation) professional service providers, consultants and contractors.
Whole of Life Costs	All costs associated with sourcing, implementing, using, maintaining and disposal of goods and services, throughout the life of those goods and services, whether the goods and services are agreed in one or more contracts.

Table 1 – Definitions

Procurement Policy

13. This policy outlines the minimum requirements for all procurements, including the standard and non-standard procurement of goods, services and works for the GCSB and NZSIS.

14. Staff must comply with the minimum requirements prescribed in this policy throughout the procurement lifecycle.

15. Staff are to follow the NZIC procurement process documented in the Commercial Services Toolkit.

Commencing a Procurement

Procurement Planning

16. Staff must have an appropriate procurement plan, which details how the right supplier will be identified (including any tender), contracted and managed ensuring that the plan meets the requirements of this Policy. The procurement plan should document how public value will be achieved and must be approved in accordance with the NZIC procurement process, confirming that all compliance obligations are met.

17. Staff must have calculated the expected whole of life costs for each procurement to inform the process which they must follow.

18. Staff must have prior budget approval before staff start a process to identify the right supplier for the procurement (including quotes), this does not limit the ability of staff to obtain enough information from suppliers to inform the budget approval.

Risks and Mitigations

19. Staff are to identify, document and manage the risks of their procurement before commencing a process to identify the right supplier, and throughout the procurement lifecycle.

20. Depending on the nature, impact and likelihood of identified risks, staff are to consult with Commercial Services and the following stakeholders (as applicable):

    a. Security Risk

    b. Legal Risk

    c. Finance Risk

21. Staff may be required to develop and seek approval of a risk management plan, including security risk mitigations (if applicable), which will normally be part of the procurement plan.

Security

22. Staff must comply with all applicable security policies, including information security throughout the procurement lifecycle.

23. Staff must understand security risks and have a security approach agreed for a procurement, before commencing any online search or any direct interaction with any supplier.

Health, Safety and Employment

24. Where relevant to procurement, staff must look at whether the supplier has good prior health and safety performance and employment practices. This includes other relevant suppliers in the supply chain.

25. For more information on the health and safety of workers, including contractors and consultants.

Protection of Information

26. Staff are to manage and protect commercially sensitive, personal and official information during the procurement lifecycle in accordance with the Government Procurement Rules, Privacy Act 2020, and GCSB and NZSIS policies.

Documentation

27. Staff are to use the procurement templates published in the Commercial Toolkit (as applicable), including:

    a. Procurement Plan,

    b. Contract Management Plan,

    c. Opt-Out or Exemption Form,

    d. Risk Management Plan, and

    e. Conflict of Interest Form.

28. Staff must keep proper records of their procurements, including the contract, associated communications, endorsements, approvals and relevant procurement contract documents.

Selecting the Supplier

Conflicts of Interest

29. Staff who recommend or approve the selection of a supplier or are the named contract manager or budget holder, are to identify, manage, notify and record conflicts of interest (COI) in accordance with the policy. Staff are also required to complete a COI form whether or not staff have an actual or perceived COI, in accordance with the NZIC procurement process.

Due Diligence

30. Staff must ensure each supplier it intends to engage has been subject to appropriate and proportionate due diligence for the nature, value, and complexity of the procurement to understand the risks of engaging a supplier and throughout the procurement lifecycle.

31. Due diligence is undertaken by Commercial Services, and will include understanding:

    a. The supplier and whole supply chain is secure, and do not pose an unacceptable or unmanageable security risk.

    b. The supplier is who they claim to be and is financially sound.

    c. The supplier does not have a history of fraud, corruption, bribery, or anti-competitive behaviour and the supplier has no recent or pending legal proceedings of concern.

32. Contract Managers are responsible for additional due diligence when required for contractors and consultants including interviews and reference checks.

33. If due diligence identifies risks, staff must consider appropriate mitigations including excluding a supplier from a procurement if there is a good reason to do so (e.g. national

security risk). Evidence of the reason to exclude a supplier from a procurement opportunity must be documented.

Standard Procurement

34. Standard procurement outlines the minimum requirements staff must apply when selecting a supplier, including consultants and contractors, unless the procurement meets the requirements and has been approved as a non-standard procurement in accordance with this policy. Staff must have prior budget approval of the whole of life costs for each procurement before selecting a supplier.

Low-Cost Procurement

35. Staff are required to apply the following minimum requirements for the procurement of goods, services, or refurbishment works valued under NZD $50,000:

    a. Use panel rules to identify a supplier, if there is an existing procurement panel for the scope of the goods and services, or

    b. Direct source a supplier if an existing procurement panel is not available, or

    c. With the approval of Commercial Services, a closed tender if an existing procurement panel or a direct source approach is not fit-for-purpose.

Medium-Cost Procurement

36. Staff are required to apply the following minimum requirements for the procurement of goods, services, or refurbishment works valued NZD $50,000 and above up to NZD $100,000 or construction works up to NZD $9,000,000:

    a. Use panel rules to identify a supplier, if there is an existing procurement panel for the scope of the goods and services, or

    b. Direct source, closed tender, or open tender for a supplier, if an existing procurement panel is not available.

High-Cost Procurement

37. Staff are required to apply the following minimum requirements for the procurement of goods, services, or refurbishment works valued NZD $100,000 and above or construction works above NZD $9,000,000:

    a. Seek economic benefit to New Zealand to include:

        (1) applying an evaluation criterion to assess public value which includes a minimum weighting of 10 percent for economic benefits.

        (2) Include a contract provision and conduct monitoring for delivery of agreed economic benefits in a procurement, and

b. Use panel rules to identify a supplier, if an existing procurement panel exists for the scope of the goods and services, or

c. Open tender for a supplier, if an existing procurement panel is not available unless agreed by Commercial Services.

Non-Standard Procurement

38. It is recognised there are some situations where standard procurement processes are not possible to follow. There are two non-standard procurement processes allowed subject to obtaining the relevant approvals:

    a. Opt-outs (including essential security interests) or exemptions, and

    b. Emergency procurement

Opt-Out or Exemption

39. Staff may request authorisation for an opt-out or exemption of specific requirements in the NZIC procurement process including from open tender for procurement of goods and services valued NZD $100,000 or above or construction works above $9,000,000 if they meet the requirements in paragraph 42.

40. To be approved each opt-out or exemption must be valid (refer to the Commercial Toolkit), clearly demonstrate how the opt-out or exemption applies in the circumstances, and how the procurement will meet the surviving obligations including, without limitation, how the procurement will deliver public value and meet the Government Procurement Principles.

Emergency Procurement

41. In an emergency situation, the Incident Controller (appointed by the Incident Governance Group) or DDG FCP has the authority approve emergency procurement and may authorise staff to:

    a. undertake a shortened procurement process, and

    b. are not required to openly advertise the procurement opportunity (even if the whole of life costs exceed NZD $100,000).

42. An emergency situation is a sudden and unforeseen event that can result in injury, loss of life or critical damage to property or infrastructure.[1]

43. Staff must provide Commercial Services the relevant details of each emergency procurement, as soon as reasonably practicable after the procurement so it can be put on the emergency procurement register.

[1] MBIE Quick Guide to Emergency Procurement

Contracting the Supplier

Preparing and Entering the Contract

44. Staff must follow the relevant NZIC procurement process to prepare a contract. The NZIC procurement process may include consulting with relevant stakeholders on indemnities.

45. No contract should be entered with a supplier (including any contractor or consultant) if the supplier is unable to deliver services until its personnel have obtained the required security clearances.

46. All contracts must be entered into by a person who holds the relevant delegation.

Contractors and Consultants

Contract Period

47. The contract period for a contractor or consultant must be for 12 months or less. Staff may seek approval to enter a contract for a contractor or consultant for a period greater than 12 months or to extend the contract if it is funded within budget.

    Approving authority: Deputy Director-General responsible for the budget of the procurement activity.

Fee Rate

48. Staff are to set and justify a fair and reasonable fee rate for a contractor or consultant within the Commercial Services' baseline applicable for the services to be performed. Contractor and consultant rates are to be set for the life of the contract. Refer to Commercial Services for the contractor and consultant market and baseline fee rates.

49. In exceptional circumstances, staff may seek approval to apply a fee rate outside of the market rates with evidence that it is justified and delivers public value.

    Approving authority: Deputy Director-General responsible for the budget of the procurement activity.

Previously Employed Members

50. Staff must avoid using any contractor or consultant who was, or is, employed by either the GCSB or NZSIS within twelve months before the proposed contract start date. If a proposed contractor or consultant is to be engaged by either the GCSB or NZSIS within twelve months before the proposed contract start date, the contractor or consultant's fee rate must not exceed 115% (excluding agency or company fees) of the person's salary as at the date of their departure from the GCSB or NZSIS.

51. In exceptional circumstances, staff may seek approval to use a contractor or consultant who was employed by either the GCSB or the NZSIS within the twelve-month period before

the proposed contract start date, or apply a fee rate higher than 115% of the person's salary as at the date of their departure.

Approving authority: Deputy Director-General of Finance, Commercial and Property.

Contract Management

Contract Manager

52. Each contract must have a contract manager assigned. This person must be recorded as the contract manager in the low-side Contract Management System or high-side procurement process (as applicable). To be a contract manager, staff must complete the relevant training as determined by Commercial Services.

53. The contract manager must have an agreed contract management plan, proportionate to the nature, risks and value of the procurement, for each contract. The contract management plan records the roles, responsibilities, actions and staff responsible for ensuring the successful delivery of the procurement.

54. Contract managers must conduct sufficient management of their contracts to:

    a. Ensure that obligations are delivered in accordance with the terms and conditions of the contract. This includes confirming the goods and services meet the standards, quality and quantity required.

    b. Ensure all payments are made to suppliers in accordance with the terms and conditions of the contract and track procurement costs, and associated payments, do not escalate outside of their financial delegated authority and budget.

    c. Ensure the contract is up-to-date at all times and the contract does not to expire before the goods and services are delivered.

    d. Ensure the whole of life costs of the contract is calculated and the appropriate selection process is applied if a contract renewal or extension is required prior to the contract expiry date.

    e. Ensure the security arrangements are managed for the life of the procurement including the management of security clearances for any contractors, consultants or other supplier personnel.

55. Contract managers must notify Commercial Services and the relevant legal team of any dispute with a supplier (including any contractual dispute or dispute regarding an invoice), at the earliest possible time.

Contract Expiry or Termination and Offboarding

56. The contract manager is responsible for offboarding a supplier when the contract expires or is terminated in accordance with GCSB and NZSIS policies, including:

a. offboarding the supplier’s approved personnel (including any clearances), or

b. managing information or equipment held by the supplier.

57. The contract manager must engage with Commercial Services and the relevant GCSB or NZSIS Legal Team prior to initiating a termination process.

Approvals

Document Title	JP-002 Procurement Policy
Signed approval doc. Objective/DMS Ref.	INTERNAL ONLY