

Procurement Advisory Note

Canterbury Earthquake – Emergency Procurement

Background

The Canterbury earthquake has resulted in significant loss of life and injury as well as catastrophic damage to the city's infrastructure.

Purpose

This Advisory Note provides procurement policy reassurance, guidance and support to agencies responding to the Canterbury earthquake.

- It applies to all agencies engaged in responding to the disaster.
- It applies only to the procurement of goods and services that are necessary in responding to the emergency and providing relief.
- It is effective immediately and valid until 30 September 2011, when it will be reviewed.

Advice

- In this emergency situation, agencies are permitted to forgo routine procurement procedures (e.g. advertising on GETS) if the delay involved in following them will prevent the delivery of goods or services in time to bring effective relief.
- For agencies subject to the Mandatory Rules of Procurement this Advisory Note can be relied upon to justify an exemption from the Rules.
- Agencies are encouraged to balance the need to act without delay (to save or preserve life, or safeguard buildings and infrastructure), against their obligations to follow due procurement process.
- Agencies are permitted to purchase direct from a supplier, if that is the most reasonable approach in the circumstances.
- In adopting a flexible approach to procurement agencies should be mindful of being fair to suppliers and open about their approach and why it is being adopted.
- Wherever possible, agencies are encouraged to seek some level of competition and achieve value for money.
- Agencies must still act lawfully and with integrity and must be prepared to account for all emergency procurements.
- Agencies' staff should be mindful of acting within their delegated authority.

- In emergency situations there can be a higher risk of fraud, bribery, corruption and inflated prices and agencies are encouraged to be aware of these possibilities and to take action to safeguard against them.

Further guidance

Before adopting a flexible approach to emergency procurements agencies are encouraged to be familiar with the following guidance:

- OAG: *Procurement guidance for public entities* [Emergency Procurement -page 42]
www.oag.govt.nz
- MED: *Quick Guide: emergency procurement* [last updated 1 March 2011]
www.procurement.govt.nz

Emergency procurement advice

If you require further advice in relation to emergency procurement contact:

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