

ANNUAL REPORT

2024-2025

Public Procurement Agency



MESSAGE FROM THE MINISTER

It is my pleasure to present the 2024-25 annual performance report for the Public Procurement Agency (the Agency). This report was prepared in accordance with the requirements as a Category Two entity under the **Transparency and Accountability Act**. My signature below is indicative of my accountability for the preparation of this report and the achievement of identified objectives. I acknowledge my colleagues, the Honourable John Abbott and the Honourable Gerry Byrne, both of whom served in the portfolio during the reporting period.

This performance-based report provides details on the indicators and objectives achieved for the period April 1, 2024 to March 31, 2025 as well as the goal outlined in the Agency's 2023-26 Business Plan.

The Agency is committed to supporting enhanced sustainable procurement practices where they are consistent with ensuring best value, transparency and accountability.

I want to take this opportunity to acknowledge and thank the dedicated staff of the Agency for their outstanding commitment to the successes achieved thus far. I look forward to working together in the 2025-2026 fiscal year to achieve further success in the last year of our three-year plan.

Sincerely,

A handwritten signature in black ink that reads "Elvis Loveless". The signature is fluid and cursive.

Hon. Elvis Loveless

Minister Responsible for the Public Procurement Agency

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Agency Overview

The Public Procurement Agency (the ‘Agency’) is a category 2 government entity under the **Transparency and Accountability Act**. It is an independent branch of the Public Service under the control and management of the Chief Procurement Officer. It also maintains a website where the public may access current bidding opportunities as well as information on contract award summaries, relevant legislation, and trade agreements. Bidding opportunities within the province and other jurisdictions may also be accessed through this website.

For more information on the Agency, please visit online at www.gov.nl.ca/ppa.

Organizational Structure



Staff and Budget

The Agency is comprised of five divisions, each carrying out the work and mandate of the Agency:

1. Procurement;

2. Strategic Sourcing;
3. NL Schools Procurement;
4. Audit and Compliance; and
5. Policy, Planning and Administration.

The Agency's head office is located in the Petten Building at 30 Strawberry Marsh Road in St. John's.

As of March 31, 2025, the Agency employed 31 people, of which 20 were females and 11 were males.

The Agency's gross expenditures for fiscal year 2024-25 were \$2,431,100.

Division	# of Employees	Salary Budget
Procurement	8	\$2,304,100
Strategic Sourcing	6	
NL Schools Procurement	6	
Audit and Compliance	3	
Policy, Planning and Administration	7	
Executive	1	
Total	31	

Vision

The vision of the Agency is of an informed public sector and supplier community participating in a transparent, fair and competitive procurement environment.

Mandate

The Agency is an independent branch of the public service and the central procurement unit for the Government of Newfoundland and Labrador. The authority for the Agency's operations is provided by the **Public Procurement Act** (the 'Act') which outlines its mandate and role. The Chief Procurement Officer is responsible for the direct management of the Agency and ensures that all procurement activities are carried out in accordance with the Act. The Act is the primary legislation that governs procurement within the public sector.

Lines of Business

The Agency provides the following lines of business:

1. Procurement and Strategic Sourcing

The Agency acquires commodities for the Government of Newfoundland and Labrador and other public bodies. It manages the procurement cycle from planning to post-award in accordance with the Act and Regulations, trade agreements, and established policies and procedures. The Agency ensures that procurement opportunities undertaken are conducted in an open and competitive environment while maintaining fair and equitable opportunities for suppliers.

The Agency is also responsible for achieving value-added opportunities for government and the broader public sector by applying strategic sourcing strategies to priority sourcing initiatives. It continuously identifies opportunities for increasing value in procurement spending through analysis of supplier market and internal spending profiles, and leading cross-departmental teams in the execution of these sourcing strategies.

2. Auditing

The Agency administers an auditing program to facilitate and assess compliance with the procurement legislation, regulations, and policy (procurement framework). The Agency undertakes compliance audits and reports and leads special investigations and reviews as required on procurement-related matters.

3. Information and Training

The Agency administers training programs to facilitate compliance with government's procurement framework. Specifically, the Agency facilitates interpretation of the procurement framework; leads the development and delivery of a training program for public bodies; provides advice and expertise to internal and external stakeholders relating to the procurement framework; and manages the procurement reporting system.

Highlights and Partnerships

In addition to the results outlined in the Report on Performance section of this report, the Agency achieved other accomplishments during the 2024-25 fiscal year, which are outlined in the below sections. The Agency works closely with Provincial Government departments, entities and public bodies that are subject to the Act. These ongoing partnerships help support public bodies in carrying out the roles and responsibilities of the Public Procurement Framework.

Continued Advancement of Procurement Strategies

In February 2024, the province announced the Newfoundland and Labrador First Procurement Strategy and the Sustainable Procurement Strategy, two new procurement strategies aimed at maximizing the success of provincial suppliers in obtaining government contracts, supporting provincial supplier development, and increasing sustainable practices in purchasing. In 2024-25, the Agency continued to advance implementation of these strategies for procurements undertaken by public bodies. Of

particular note, the Newfoundland and Labrador First Procurement Strategy took on a new importance in early 2025 in the face of trade actions from the United States, which are posing threats to the Canadian economy including Newfoundland and Labrador. Given this new trade environment, it is crucial that Newfoundland and Labrador companies are given the greatest opportunity to secure contracts here at home.

In May 2024, the Agency participated in the Reverse Trade Show for Atlantic Small and Diverse Businesses held in Charlottetown, Prince Edward Island. The event provided an opportunity for suppliers to meet with buyers from multiple federal, provincial and municipal governments and learn what types of goods and services they purchase. The event provided an opportunity to discuss Newfoundland and Labrador's new Sustainable Procurement Strategy with suppliers looking to do business with the province.

In September 2024, Agency staff also attended the Labrador regional Municipalities Newfoundland and Labrador (MNL) meeting in Happy Valley – Goose Bay. MNL hosted a series of day-and-a-half meetings to provide its members an opportunity to share information with others in their region, while also receiving updates on matters of interest to their municipality and region. This was an opportunity for the Agency to promote the province's procurement strategies and help strengthen local supplier procurement skills.

Procurement Advisory Council

The Procurement Advisory Council, for which the Chief Procurement Officer is chairperson, held two meetings during the year. The Council consists of representatives of public bodies who have responsibility for procurement. The purpose of the Council is to provide advice and make recommendations to the Minister respecting matters related to procurement, particularly, how the purpose of the Act may be achieved.

Report on Performance

Issue: Enhancing Sustainable Procurement

Over the period of the 2023-2026 Business Plan, the Agency will support departments towards enhanced sustainability in their procurement activities. New supplier development opportunities will be implemented to strengthen the ability for provincial suppliers to participate in government procurement processes and successfully obtain government contracts. The Agency will support departments to implement sustainable procurement practices. This work will support the strategic directions of government, specifically as relating to “Sustainable Procurement” and “Newfoundland and Labrador First”. The following section describes that work under the Agency’s directives in the second year of the 2023-2026 Business Plan.

Goal

By March 31, 2026, the Public Procurement Agency will have supported enhanced sustainable procurement practices.

2024-25 Objective

By March 31, 2025, the Public Procurement Agency will have supported departments in the implementation of sustainable procurement practices.

Indicators

1. Worked with the Centre for Learning and Development to develop online training resources to support departments in the implementation of sustainable procurement practices.
2. Developed and published a Social Procurement Guide to provide enhanced guidance to public bodies on achieving social impacts through procurement activities.

3. Provided support and advice to public bodies to enhance the use of sustainable procurement tools and approaches in their procurement activities.

Indicator #1

Worked with the Centre for Learning and Development to develop online training resources to support departments in the implementation of sustainable procurement practices.

During 2024-25, the Agency worked with the Public Service Commission and the Centre for Learning Development to update the Green Procurement e-learning course available to Government of Newfoundland and Labrador employees through PSAccess. The purpose of this course is to increase the awareness of green procurement for those who are involved in the purchasing of goods and services for the province. The course provides participants with the ability to: recognize the connection between Sustainable Procurement Strategy and Green Procurement; determine how Eco-labels can help with the purchasing process; identify benefits of purchasing green products; identify the flexibility present within the procurement framework when considering purchasing green; and determine environmental impacts and opportunities for high-impact procurement opportunities. At year-end the course was updated, to be rolled out to departments in April 2025.

Indicator #2

Developed and published a Social Procurement Guide to provide enhanced guidance to public bodies on achieving social impacts through procurement activities.

In 2024-25, the Agency partnered with Buy Social Canada to develop the Government of Newfoundland and Labrador's own Social Procurement Guide. The guide provides an introduction and overview of social procurement for public sector purchasers and offers approaches to social procurement that will assist with carrying out the province's Sustainable Procurement Strategy. In November 2024, the guide was finalized and published on the Agency's website at: www.gov.nl.ca/ppa/publications.

Indicator #3

Provided support and advice to public bodies to enhance the use of sustainable procurement tools and approaches in their procurement activities.

Throughout the year, the Agency provided ongoing support directly to provincial departments and relevant public bodies on incorporating sustainability into their procurement activities to ensure alignment with the province's Sustainable Procurement Strategy. As part of this support, recommendations are made to provincial departments and agencies on how to achieve sustainable outcomes within their procurements to help ensure that sustainability considerations being used are relevant to the specific procurement.

In addition, the Agency facilitated 15 procurement training sessions for various public bodies in the province, including provincial departments, NL Health Services and municipalities, where sustainability in the procurement process is covered. During these sessions, public bodies outside the Provincial Government are directed to the province's published sustainable procurement strategies and guides and encouraged to implement similar approaches within their organization.

2025-26 Objective

By March 31, 2026, the Public Procurement Agency will have further supported sustainable procurement capacity across stakeholder groups.

Indicators

1. Developed new tools and training to support public bodies in the implementation of sustainable procurement practices.
2. Completed sector-specific stakeholder engagement sessions to identify barriers and possible solutions to procurement challenges.
3. Provided further networking opportunities for local suppliers and public bodies.

Opportunities and Challenges

The ongoing trade actions of the United States have posed economic challenges for Newfoundland and Labrador and Canada as a whole. These actions have impacted how procurements are undertaken by public bodies across the country with consideration being taken to the origins and suppliers of products and services procured. As provinces and territories come together to build a Team Canada approach, Newfoundland and Labrador must also work to ensure that our public bodies and local companies have the supports necessary to navigate these challenging times.

In 2025-26, the Agency will continue to support departments and public bodies to further build their capacity for sustainable procurement activities through the use of additional training resources, engagement and networking opportunities. We will also continue to promote and advance progress with respect to the Newfoundland and Labrador First Procurement Strategy to help ensure companies here at home are given the greatest opportunity to secure Provincial Government contracts.

Financial Information

Expenditure and revenue figures included in this document are based on public information provided in the “Estimates of the Program Expenditure and Revenue of the Consolidated Revenue Fund” for Fiscal Year Ended March 31, 2025. Audited financial statements are a requirement at the government level and are made public through the Public Accounts process; however, the Public Procurement Agency is not required to provide a separate audited financial statement.

Estimates 2025-26

PUBLIC PROCUREMENT AGENCY

PUBLIC PROCUREMENT AGENCY

	2025-26 Estimates \$	2024-25 Revised \$	Budget \$
PUBLIC PROCUREMENT AGENCY			
<i>CURRENT</i>			
1.1.01. PUBLIC PROCUREMENT AGENCY			
Appropriations provide for the operation of the Public Procurement Agency which conducts purchasing and provides oversight, support and audit of procurement activities for public bodies in the province.			
01. Salaries	2,598,200	2,304,100	2,547,200
Operating Accounts:			
Employee Benefits	2,000	1,600	2,000
Transportation and Communications	48,700	29,100	48,700
Supplies	8,400	8,400	8,400
Professional Services	23,500	28,300	23,500
Purchased Services	54,500	57,600	54,500
Property, Furnishings and Equipment	4,800	2,000	4,800
02. Operating Accounts	141,900	127,000	141,900
Amount to be Voted	2,740,100	2,431,100	2,689,100
02. Revenue - Provincial	(361,900)	(422,800)	(361,900)
Total: Public Procurement Agency	2,378,200	2,008,300	2,327,200
TOTAL: PUBLIC PROCUREMENT AGENCY	2,378,200	2,008,300	2,327,200
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