

2025-2026

Annual Report

Public Procurement
Agency





MESSAGE FROM THE MINISTER

As Minister of Public Procurement, it is my pleasure to present the 2025-26 annual report for the Public Procurement Agency (the Agency). This report was prepared in accordance with the requirements established 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.

As the final year in the 2023-26 planning cycle, this performance-based report provides details on the annual objectives achieved for the period April 1, 2025, to March 31, 2026, as well as the three-year goal outlined in the Agency's 2023-26 Business Plan.

Over the past three years, the Agency has strengthened sustainable procurement practices across government by supporting departments in integrating sustainability considerations into their procurements. This included the introduction of key strategies and guidance, such as the Sustainable Procurement Strategy, Social Procurement Guide, and the Newfoundland and Labrador First Procurement Strategy. The Agency also advanced measures to expand opportunities for provincial suppliers, enhancing their ability to participate in and succeed in government contracting.

I want to take this opportunity to acknowledge and thank the dedicated staff of the Agency for their commitment to the successes achieved over the past three years. I look forward to working together to build on these achievements in the 2026-29 planning cycle.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barry Petten', with a stylized flourish at the end.

Hon. Barry Petten
Minister of Public Procurement

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Agency Overview

The Public Procurement Agency (the Agency) is established under the **Public Procurement Act** and is the central procurement unit of the Government of Newfoundland and Labrador. It is an independent branch of the Public Service under the control and management of the Chief Procurement Officer and is a category two government entity under the **Transparency and Accountability Act**.

The Agency provides procurement, audit, information, and training services to government departments and other public bodies throughout Newfoundland and Labrador, including conducting open calls for bids and awarding contracts for commodities pursuant to the **Public Procurement Act**. The Agency also maintains a public website that provides access to bidding opportunities, information on contract awards, resources for public bodies and suppliers, and information pertaining to legislation, policy, and trade agreements.

Additional information about the Agency is available online at: www.gov.nl.ca/ppa.

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 mandate of the Agency is provided by the **Public Procurement Act** and includes acquiring the commodities required by government departments, developing and publishing procurement policies applicable to all public bodies, and providing supports, advice and oversight to public bodies' procurement activities.

Lines of Business

The Agency provides the following lines of business:

1. Procurement and Strategic Sourcing

The Agency acquires commodities for departments of the Government of Newfoundland and Labrador, the Newfoundland and Labrador English public school system and other public bodies. It manages the procurement cycle in accordance with the **Public Procurement Act** and **Regulations**, trade agreements, and established policies to ensure open procurement and equitable opportunities for suppliers.

The Agency also identifies opportunities for value-added procurement by leveraging sourcing strategies and leading cooperative procurements between government departments and other public bodies. It analyzes market and spend data and leads cross-departmental teams to strategically increase the value realized from procurement spending.

2. Auditing

The Agency administers an auditing program to assess and facilitate public bodies' compliance with procurement legislation, regulations, and policy (Public Procurement Framework). The Agency undertakes compliance audits, issues reports, and leads special investigations as required on procurement-related matters.

3. Information and Training

The Agency develops and implements training programs to support public bodies and facilitate compliance with the Public Procurement Framework. The Agency also provides guidance on the interpretation of the Framework; develops and implements training sessions and materials, advises stakeholders on procurement-related issues; and manages procurement information systems.

Staff and Budget

As of March 31, 2026, the Agency employed 31 people. Approximately 65 per cent of employees were female and 35 per cent were male. A breakdown by each of the Agency's divisions is included in the table below.

Division	# of Employees	2025-26 Salaries Budget
Procurement	7	\$2,598,200
Strategic Sourcing	5	
NL Schools Procurement	7	
Audit and Compliance	3	
Policy, Planning and Administration	8	
Executive	1	
Total	31	

The Agency's gross budget for 2025-26 was \$2,740,100 with \$2,598,200 allocated for salaries. Please refer to the Financial Information section of this report for detailed information on the Estimates of the Program Expenditure and Revenue of the Consolidated Revenue Fund for Fiscal Year Ended March 31, 2026.

Office Location

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

Highlights and Partnerships

Highlights

In addition to the results outlined in the Report on Performance section of this report, the Agency achieved other notable accomplishments during the 2025-26 fiscal year, which are outlined below:

- In October 2025, the Agency participated in the Atlantic Provinces Reverse Trade Show held in Moncton, New Brunswick. This annual trade show rotates between the Atlantic provinces and provides opportunities to establish and strengthen business connections, engage directly with public procurement professionals, and discover new opportunities to grow and innovate.
- The Procurement Advisory Council held three meetings during 2025-26. The Council consists of representatives of public bodies who have responsibility for procurement and is chaired by the Chief Procurement Officer of the Agency. 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 **Public Procurement Act** may be achieved.

Partnerships

The Agency works closely with Provincial Government departments/agencies, crown corporations, municipalities and other public bodies that are subject to the **Public Procurement Act**. This includes collaborating on group procurements for goods and services and providing guidance to public bodies in pursuit of best-value procurement outcomes. By maintaining these partnerships, the Agency assists public bodies' fulfillment of the roles and responsibilities set out in the Public Procurement Framework, including sustainable procurement practices.

Report on Performance

Issue: Enhancing Sustainable Procurement

Fiscal year 2025-26 concluded year three of the Agency's 2023-2026 Business Plan. Over the past three years, the Agency has significantly enhanced sustainable procurement in the province. Provincial government departments and larger public bodies were provided support to incorporate sustainability into procurement activities, notably through the implementation of the Sustainable Procurement Strategy and Social Procurement Guide. In addition, new supplier development activities, through the Newfoundland and Labrador First Procurement Strategy, strengthened the ability of provincial suppliers to participate in government procurement processes and successfully obtain government contracts. The following outlines the actions taken by the Agency to fulfil the goal and indicators identified in the 2023-2026 Business Plan.

Goal

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

Indicators

- **Developed plan for sustainable procurement.**

In February 2024, the Provincial Government released its Sustainable Procurement Strategy, which aims to strengthen the integration of sustainability considerations into procurement practices. The Strategy requires provincial departments and larger public bodies to incorporate sustainability measures into the procurement of goods and services, where practicable, and in alignment with applicable trade agreement obligations.

To implement the Strategy, the Agency partnered with Buy Social Canada to develop the Government of Newfoundland and Labrador's Social Procurement

Guide. The Guide introduces key concepts and principles of social procurement for public sector purchasers and outlines practical approaches to help integrate social value outcomes into procurement processes. Both the Sustainable Procurement Strategy and the Social Procurement Guide are available on the Agency's website at: www.gov.nl.ca/ppa/publications.

To implement the Sustainable Procurement Strategy and Guide, the Agency partnered 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 course, made available to government employees in April 2025, is designed to increase awareness of green procurement among employees involved in purchasing goods and services for the province.

The Agency also incorporated sustainable procurement into its suite of procurement training sessions designed and available for procurement officials in other public bodies. A total of 30 training sessions were conducted with public bodies during the past two fiscal years including provincial departments, NL Health Services and various municipalities.

- **Introduced measures to strengthen the ability of provincial suppliers to participate in government procurement processes.**

In February 2024, the province announced the Newfoundland and Labrador First Procurement Strategy, recognizing the benefits provincial suppliers bring to the local economy. The Strategy consists of two primary objectives: 1) maximizing the success of provincial suppliers in obtaining government contracts and 2) supporting strategic provincial supplier development. The two objectives are realized through 14 action items, which may be found in the full strategy document at: www.gov.nl.ca/ppa/procurement-strategies.

Action items identified under Objective 2 were designed to strengthen the ability of new suppliers to participate in government procurements through training and increasing awareness of potential opportunities to sell to government and other public bodies. This included, among other actions:

- **Supplier Training** - Training and tools were developed to enhance suppliers' knowledge of the public procurement process. This included implementing on-demand supplier training sessions that provide an overview of government procurement procedures and how suppliers can access bidding opportunities. Training sessions can be requested directly by suppliers through the Agency's website (www.gov.nl.ca/ppa/training-form). An automated online module was also developed and added to the Agency's website to summarize and reinforce this information. This may be found at: www.gov.nl.ca/ppa/to-do-business-with-the-province.
- **Networking with Public Bodies** - Reverse trade shows were held in St. John's in June 2023 and in Corner Brook in November 2025. At these events, public bodies hosted booths to showcase their respective procurement needs and processes as well as discuss potential opportunities with suppliers. This type of engagement aimed to improve supplier awareness, foster connections, and create more informed, competitive procurement participation.
- **Single Point of Contact** – The Agency established a single point of contact to streamline communications with suppliers, ensuring procurement issues and enquires are addressed in a timely manner. Questions related to public procurement opportunities can be sent to: PPAinquiries@gov.nl.ca.
- **Introduced measures to help support provincial suppliers in successfully obtaining government contracts.**

Action items identified under Objective 1 of the Newfoundland and Labrador First Procurement Strategy were aimed at creating an environment that provides the

best opportunity for provincial suppliers to be successful in obtaining provincial government contracts. This included, among other actions:

- **Provincial Supplier Preference** - Implementation of the provincial supplier allowance, where the estimated value of the procurement is below trade agreement thresholds, continued. The allowance requires public bodies to apply a 10 per cent reduction to the bid price of a provincial supplier for evaluation purposes.
- **Open Call Thresholds** - In 2023-24 and 2025-26, the Agency increased the open call for bids thresholds for public bodies, other than crown corporations, to the maximum allowable under the Canadian Free Trade Agreement, providing more opportunities for public bodies to seek quotations directly from provincial suppliers through limited calls for bids.
- **Reduction in Use of Bid Securities** - The Agency has coordinated with public bodies to identify and reduce the use of bid securities which might unnecessarily introduce barriers and restrict competition.
- **Sector-Specific Support** – In 2025-26, the Agency, in collaboration with the former Department of Industry, Energy and Technology, held sessions with Tech NL, econext, Canadian Manufacturers and Exporters (CME) and the St. John's Board of Trade to identify barriers and possible solutions to procurement challenges. Further details are provided under the 2025-26 Objective section.

2025-26 Objective

By March 31, 2026, the Public Procurement Agency will have supported departments in the implementation of sustainable procurement practices.

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.

Indicator #1

Developed new tools and training to support public bodies in the implementation of sustainable procurement practices.

In late 2025-26, the Agency developed a new training session for public bodies covering sustainable procurement in open calls for bids. The purpose of the training is to guide public procurement officials seeking to incorporate sustainability considerations into open call for bids procurements, pursuant to the Sustainable Procurement Strategy. The training is available on-demand for public bodies and may be requested through the Agency's website at: www.gov.nl.ca/ppa/training-form. In addition, the Agency updated the procurement training offerings on the website to better reflect customized training now available by sector (e.g. government, municipal, crown corporations, etc.).

Indicator #2

Completed sector-specific stakeholder engagement sessions to identify barriers and possible solutions to procurement challenges.

In November 2025 and January 2026, the Agency and the former Department of Industry, Energy and Technology hosted a series of sessions with representatives of Tech NL, econext, Canadian Manufacturers and Exporters (CME) and the St. John's Board of Trade. The sessions were held to discuss procurement barriers experienced by the associations' members and find ways to better position members to bid on public sector contracts. These sessions also provided information about the province's Public Procurement Framework and responses to questions from the associations' leadership.

As a key takeaway from these sessions, the associations highlighted a need for additional skills development activities for members. In response, the Agency developed and delivered a procurement process and supplier information session at an event hosted by CME in February 2026. A subsequent session focusing on suppliers' use of

e-procurement platforms was planned and delivered in partnership with the Office of the Chief Information Officer and Procurement Assistance Canada at the Co. Innovation Centre in March 2026. At fiscal year-end, the Agency had begun planning partnerships with Tech NL and econext to hold joint supplier development and networking events to be held in early 2026-27.

Indicator #3

Provided further networking opportunities for local suppliers and public bodies.

In May 2025, the Agency participated in the Newfoundland and Labrador Construction Association's Build 2025 Expo to share insights and provide advice to suppliers on doing business with government and bidding on public sector contracts. The Agency was joined by representatives of the Department of Transportation and Infrastructure, Newfoundland and Labrador Health Services, Newfoundland and Labrador Housing Corporation, and Newfoundland and Labrador Hydro. The Expo provided suppliers with an opportunity for one-on-one discussions with public officials and the ability for both parties to ask questions, provide feedback and discuss the latest developments in construction procurement.

In November 2025, the Agency partnered with the Greater Corner Brook Board of Trade and Procurement Assistance Canada to host a reverse trade show at the Greenwood Inn in Corner Brook. The event was attended by procurement officials stationed at booths representing entities such as the Department of Transportation and Infrastructure, NL Schools, Newfoundland and Labrador Hydro, Newfoundland and Labrador Health Services, City of Corner Brook and Defense Construction Canada, among others. Each organization was able to connect with suppliers directly to highlight their respective procurement needs. Suppliers could then identify potential matches with their offerings and learn about the competitive processes used to establish public sector contracts.

Opportunities and Challenges

Ongoing international trade uncertainties continue to impact public procurement in Canada and in Newfoundland and Labrador. Changes to trade policies, tariffs, and supply chains have impacted both public bodies and suppliers, requiring flexibility, resilience and pragmatism for both parties to adapt successfully. In response to uncertainty, the Agency will continue its efforts under the Newfoundland and Labrador First Strategy to facilitate the success of provincial suppliers in government procurements. Helping local businesses effectively navigate public procurement processes, while maintaining fair and open competition, remains a priority.

The Agency is focused on increasing collaboration with sector stakeholders. Engagement with industry associations, suppliers, and public sector partners has continued to provide valuable insight into market conditions, emerging trends, and potential barriers to participation in procurement processes. Strengthening these relationships will enhance decision-making effectiveness and continuous improvement initiatives.

The Government of Canada recently introduced the Buy Canadian Policy, which requires its departments to prioritize Canadian suppliers, goods, and materials in certain procurements. While the policy applies to federal procurement, the Government of Canada has also released a plan to assist provinces interested in adopting the policy at the provincial level. The Agency will continue to monitor the implementation of the policy federally and coordinate with other departments and public bodies as required.

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, 2026. 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.

PUBLIC PROCUREMENT AGENCY

PUBLIC PROCUREMENT AGENCY

	2026-27 Estimates \$	2025-26 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	2,143,200	2,598,200
Operating Accounts:			
<i>Employee Benefits</i>	3,000	1,700	2,000
<i>Transportation and Communications</i>	47,100	30,000	48,700
<i>Supplies</i>	8,500	8,400	8,400
<i>Professional Services</i>	23,800	-	23,500
<i>Purchased Services</i>	54,500	54,500	54,500
<i>Property, Furnishings and Equipment</i>	5,000	4,800	4,800
02. Operating Accounts	141,900	99,400	141,900
Amount to be Voted	2,740,100	2,242,600	2,740,100
02. Revenue - Provincial	(361,900)	(177,500)	(361,900)
Total: Public Procurement Agency	2,378,200	2,065,100	2,378,200
TOTAL: PUBLIC PROCUREMENT AGENCY	2,378,200	2,065,100	2,378,200
TOTAL: PUBLIC PROCUREMENT AGENCY	2,378,200	2,065,100	2,378,200

