

THE TIME IS NOW TO ACCELERATE WOMEN'S PUBLIC PROCUREMENT

Briefer

Public procurement—referring to purchases made by government agencies, international development agencies and development finance institutions (DFIs)—is estimated to be a \$9 to \$15 trillion USD global market.



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Governments spend the equivalent of over 30 percent of gross domestic product (GDP) in developing countries and between 10 and 15 percent in developed countries, according to the International Trade Centre (ITC) in Geneva.¹ The international development agencies and DFIs are in comparatively early stages of trying to procure directly from women-owned or women-led businesses themselves.² According to the ITC's [Procurement Map database](#), only 17 countries have provided information about their legislation concerning women's public procurement: Botswana, Canada, Chile, Dominican Republic, India, Japan, Kenya, Republic of Korea, Liberia, Mexico, Namibia, Qatar, South Africa, Tanzania, USA, Vietnam and Zambia.³

1. ITC News, "Public Procurement, a Tool to Boost Women's Economic Empowerment: A speech by ITC Executive Director Arancha González at Scuola di Politiche, Milano," Last Modified November 10, 2017, <https://www.intracen.org/news/Public-Procurement-a-Tool-to-Boost-Womens-Economic-Empowerment/>.

2. Emilie Combaz, *Models of Gender-Sensitive Procurement Used by International Aid Entities*, K4D Helpdesk Report, (Brighton, UK: Institute of Development Studies, 2018), <https://gsdrc.org/publications/models-of-gender-sensitive-procurement-used-by-international-aid-entities/>.

3. International Trade Centre, "Procurement Map," n.d., <https://procurementmap.intracen.org>.

The Time Is Now To Accelerate Women's Public Procurement is a 23-part toolbox and call to action series created by USAID.



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Government procurement policies provide a strong lever to promote inclusive growth and gender equality, and to reduce poverty.⁴ For countries and international institutions to identify innovative strategies to help countries build back in a stronger and more resilient way in the aftermath of the global pandemic, they will need to leverage all of the world's economic assets, including women entrepreneurs.

Although women owned an estimated 38 percent of all small and medium enterprises (SMEs) globally, before the Coronavirus disease of 2019 (COVID-19) pandemic, it is estimated that women have long received less than 1 percent of public procurement contracts.

Women's Progress In Public Procurement Has Been Constrained By:

- » a lack of gender-disaggregated data and clear definitions
- » legal and regulatory hurdles
- » sociocultural norms and gender biases
- » a lack of business and technical training
- » limited access to business networks and finance

Despite the ever-increasing number of women-owned businesses around the globe before the pandemic, **policymakers historically have overlooked the strategic economic role that women can play in GDP growth and job creation.** This undercuts not only innovation but also the efficiency and robustness of national economies. To replace the millions of women-owned SMEs globally that have gone out of business during COVID-19 in 2020 and 2021—and the hundreds of millions of global jobs that have disappeared—national governments and international institutions need to facilitate development of a robust procurement ecosystem by promoting economic strategies that will strengthen women's entrepreneurship. **Capacity-building, access to capital and access to markets are three key strategies** that can help turn women-owned and women-led businesses into job-creation engines and important contributors to GDP, innovation and national competitiveness.

4. Keric Chin, *Empowering Women through Public Procurement* (Geneva, Switzerland: International Trade Centre, 2014), <https://www.intracen.org/publication/Empowering-Women-Through-Public-Procurement/>.

Access to public procurement for women is particularly well-positioned as a strategy for mid- and long-term growth. After being underutilized by governments for almost three decades, it has been gaining traction since 2014, and now has the potential to propel significant progress in the post-pandemic environment. Further, women's public procurement (WPP) aligns well with the United Nations' (UN) Sustainable Development Goals (SDGs), which are scheduled to be fully implemented by 2030. SDG 5—"Achieve gender equality and empower all women and girls"—is considered to be the most crucial goal in women's economic empowerment and entrepreneurship.

To help rebuild the global economy post-COVID-19, there is a need to share knowledge and best practices about how to accelerate women's access to public procurement in an efficient, effective and highly strategic manner. The effort of the United States Agency for International Development to partially map the global landscape for women's public procurement has been undertaken with exactly this objective in mind. It has been designed to:

- » **Remove barriers and revitalize women's enterprises** after COVID-19, share strategies that can help countries create new companies and scale-ups through procurement, and thereby create hundreds of millions of jobs.
- » **Profile** some of the key benefits, challenges, findings, templates of good and best practices, and lessons learned about WPP over the past several decades. This landscaping project has involved reviews of some high-impact multi-country reports that have been published or catalyzed by international institutions and organizations, including the International Trade Centre and UN Women; Chatham House and the Women20 (W20) of the Group of Twenty (G20) countries; WEConnect International; the World Bank and World Bank Group, including its regional development banks and the International Finance Corporation; and the Women Entrepreneurs Finance Initiative, whose creation was announced at the W20 Summit in Berlin in 2017. Many of the publications by these organizations have been particularly groundbreaking. Also, international government donor agencies in various countries have played an important strategic role in developing capacity in specific countries.
- » **Provide case studies and "snapshots"** that showcase good and best practices and lessons learned about how different models help to overcome specific barriers and challenges. Selections are based on analyses of landscape mappings of individual countries, as well as several institutional initiatives in multiple countries and regions.
- » **Provide recommendations** on how to strengthen the ecosystem for women's public procurement.
- » **Call for virtual knowledge-sharing and coalition-building** to fast-track women's expanded participation in public procurement.

This work builds on the success of four excellent women's policy fora, conducted virtually in 2020 in the midst of COVID-19. Each policy forum used expert facilitation and a suite of virtual technologies to greatly accelerate international consensus development.

Four Policy Fora Held In 2020

- » A forum hosted by the W20 Summit of the G20 countries held in Saudi Arabia, including a Communique and W20's response to COVID-19 on behalf of women
- » UN Women's WE Empower – Group of Seven Team⁵ and its new Advocacy Tool
- » The Chatham House Women's Policy Forum
- » The International Trade Centre's and Swedish Institute of Standards' International Workshop Agreement initiative to define women-owned and women-led businesses, in order to create official International Organization for Standardization definitions and improve global harmonization of data and research. The new standard was launched in early 2021.

Going forward, building on learnings from these four policy events, key actors will promote participation in a **Virtual International Summit on Women and Public Procurement** to be held in the fourth quarter of 2021, co-hosted by the International Trade Centre and the Women20 (W20) of the G20 countries and supported by the W20's Women's Entrepreneurship and Finance Working Group. Participants will include other key international institutions, as well as countries that want to reap the economic benefits of women's participation in public procurement. **The objective will be to develop a powerful coalition** that will accelerate women's access to public procurement. Participants will: develop strategies; evaluate and endorse model templates, laws and policies; identify good and best practices; share knowledge; and develop partnerships, programs and online curricula to build government and entrepreneurial capacity for strengthening women's procurement capabilities and national competitiveness through public procurement for women. The findings from the Summit in 2021 will likely be shared publicly.

Participants in the W20 Working Group on Women's Entrepreneurship and Finance will also develop **Peer Learning Networks**, identify procurement content for its **Showcase of Best Practices**, and put together **Action Alliances and advocacy initiatives** in an effort to persuade G20 leaders (as well as other governments) to adopt women's public procurement as a priority initiative. It is hoped that this Toolbox can be used in advance by the W20 Working Group, as well as post-Summit, by the full community of procurement reformers.

5. Governments of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States.



**The TIME IS NOW
for Women's Public
Procurement. Read how
the stage is set for action!**