

THE TIME IS NOW TO ACCELERATE  
WOMEN'S PUBLIC PROCUREMENT

# Checklist: Recommendations On Women's Public Procurement, Organized By Actor



#WOCINTECH CHAT

The Chatham House report, *Gender-smart Procurement Policies for Driving Change*,<sup>1</sup> offers excellent recommendations that provide the basis for the checklists in this section. The report concludes that by using their policy and spending levers, governments can play a leading role in encouraging public procurement from businesses owned by women. A number of the recommendations overlap with similar recommendations provided in *Empowering Women through Public Procurement*<sup>2</sup> (developed by the International Trade Centre, ITC) as well as the recommendations from the report, *Benchmarking Small and Medium Enterprises as Suppliers to the Government of Canada: Inclusion, Innovation and International Trade*.<sup>3</sup>

1. Sue Harris Rimmer; *Gender-Smart Procurement: Policies for Driving Change* (London: Chatham House, 2017), <https://www.chathamhouse.org/2017/12/gender-smart-procurement-policies-driving-change>. For three years, Dr. Rimmer served as head of the Australian delegation to the W20.

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

3. Barbara Orser, Allan Riding, and Diane Liao, "Benchmarking SMEs as Suppliers to the Government of Canada: Inclusion, Innovation and International Trade" (University of Ottawa: Telfer School of Management, 2018), [http://www.sice.oas.org/sme\\_ch/publications/uo\\_telfer\\_Benchmarking-SME-report\\_03\\_e.pdf](http://www.sice.oas.org/sme_ch/publications/uo_telfer_Benchmarking-SME-report_03_e.pdf). Dr. Orser was the head of the W20's Canadian delegation in 2020. Canada's Telfer School of Management at the University of Ottawa has created *Action Strategies to Increase the Diversity of SME Suppliers to the Government of Canada* (by the same team of authors). Canada is currently analyzing how to develop a national public procurement program fully focused on women-owned businesses, and many of their action strategies serve as key pillars of a robust checklist. That study draws on their full report, *Benchmarking Small and Medium Enterprises as Suppliers*.

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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In this section, the recommendations from the three reports are sorted into targeted action checklists for six stakeholder cohorts: 1) governments; 2) corporations; 3) organizations; 4) researchers; 5) women's business associations; and 6) development finance institutions. Many of the recommendations are aimed at actions that governments can either adopt unilaterally or promote with key stakeholders. **Note that all the recommendations are quoted verbatim (unless otherwise noted) from the source document and labeled (in parentheses) with the name of the author.** Recommendations with a footnote are from the organization or expert indicated and are typically used with quotation marks.

## I. Recommendations For Governments

### REFORM GOVERNMENT PROCUREMENT PRACTICES

Governments can examine their own procurement policies and practices to ensure sustainable and inclusive procurement. (Rimmer)

- ❑ **Set a political strategy** to accelerate gender-equity goals through public procurement. (Rimmer)
- ❑ **Translate the recommendation of the United Nations (UN) High-Level Panel on Women's Economic Empowerment** into domestic policy; include reference to it in the Leaders' Declaration following the Group of Twenty (G20) Leaders Summit. For example, the Leaders' Declaration could pledge to deliver gender-smart employment and procurement practices. (Rimmer)
- ❑ **Create a government 'cartel'** (in a policy sense—that is, enabling consistent approaches across departments and thus supporting economies of scale) through the roll-out of gender-smart procurement policies through all levels of government—local, regional and federal. (Rimmer)
- ❑ **Define "women-owned business,"** leading to an International Organization for Standardization standard.<sup>4</sup> (Rimmer) "Definitional criteria are necessary to establish program eligibility, construct comparable program reporting metrics, reduce the likelihood of 'store front' agreements, tokenism, fraud, and to avoid market confusion and the façade of inclusion and diversity." (Orser et al.)
- ❑ **Set a target level of procurement spending** that should go to businesses owned by women (including via standardized clauses in requests for information/ requests for proposals). (Rimmer)
- ❑ **Adopt sector-specific action strategies and small and medium enterprise (SMEs) supplier targets** [in order to] increase the overall participation of women-owned businesses. (Orser et al.)

4. The necessity of clear definitions was recommended by all of the referenced experts. The ITC and the Swedish Institute of Standards jointly hosted a virtual six-day "International Workshop Agreement" in October and December 2020, where definitions for both women-owned and women-led businesses were agreed to by more than a hundred stakeholders, as well as definitions for women-led cooperatives and women-led informal enterprises. These definitions were endorsed by the International Organization for Standards in early 2021.



- ❑ **Offer preferential treatment** for companies that apply rigorous gender equality and diversity policies, and that report gender equality indicators. (Rimmer)
- ❑ **Require firms to disclose information about gender pay equity** in bidding for procurement contracts. (Rimmer)
- ❑ **Support third-party certification** of women-owned businesses, because “the practice of self-certification is problematic.” (Orser et al.)
- ❑ **Review SME procurement program eligibility.** Federal procurement support programs and requests for proposals should ensure that qualifying criteria [e.g., “years of experience or evidence of similar contracts”] do not defeat opportunities for the government to support ... participation of diverse suppliers, such as women-owned businesses. (Orser et al.)
- ❑ **Provide support for marketing, organizational and service innovation** [as sectors in which women-owned businesses are more heavily represented; current support for innovation tends] to prioritize male-dominated industry sectors such as defense. (Orser et al.)
- ❑ **Increase collaboration among federal agencies** ... tasked with supporting the status of women, immigration, economic development, innovation, entrepreneurship and international trade. ... ‘Piecemeal approaches and reforms designed in silos are no longer sufficient’ to impact gender equality... This also infers the value of universal federal gender-based analysis (GBA+) budgeting, procedures, regulatory and program impact analyses, and procurement management. Co-ordination of GBA+ policy and program formulation will also help to ensure that limited resources support policy goals. (Orser et al.)

- ❑ **Work with sub-national agencies,** companies and organizations to understand diversity of SME suppliers. (Orser et al.)
- ❑ **Drive equal representation** of women and men as procurement professionals. (Rimmer)
- ❑ **Develop a public database** of women suppliers and open government contracts. (Rimmer)

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**Governments can examine their own procurement policies and practices to ensure sustainable and inclusive procurement.**

## REDUCE BARRIERS TO WOMEN'S PARTICIPATION IN THE ECONOMY

- ❑ **Create the support mechanisms** [to enable] businesses owned by women to flourish; ... **create a supportive ecosystem.** (Rimmer)
- ❑ **Identify any barriers** to women's business/property ownership, access to finance, direct control of business etc. that can be eradicated. (Rimmer)
- ❑ **Reduce the size of tenders.** (Rimmer)
- ❑ **Review any laws, frameworks or targets** that encourage women's business ownership and growth. (Rimmer)
- ❑ **Make information available** about education and certification processes. (Rimmer)
- ❑ **Identify programs that encourage entrepreneurship** at critical junctures in a business's lifecycle. (Rimmer)
- ❑ **Train procurement officers to build awareness** of the importance of enterprises owned by women for a healthy economy; **teach procurement officers** how to set up procedures and targeted assistance to empower such businesses. (Rimmer)
- ❑ **Publish all procurement opportunities on a central electronic clearinghouse** and distribute the same information directly to women's business organizations. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Streamline and standardize** tender documentation and prequalification procedures across procuring entities. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Permit women-owned businesses to prequalify** for groups or contracts on certain categories of goods, works and services. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Coordinate between agencies:** Ensure one procuring agency can use the results of prequalification procedures conducted by another. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Tailor** the technical, financial and other qualification and prequalification requirements to the size and complexity of the procurement opportunities. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Avoid bundling** multiple requirements into one large contract. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Allow sufficient time** for firms to prepare tenders. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Encourage** use of economically most advantageous or **best value criteria where appropriate.** Caveat: The use of most advantageous award criteria may not be appropriate where the added discretion invites corruption or increases complexity. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Provide meaningful feedback to unsuccessful bidders** on the strengths and weaknesses of their tenders and areas for improvement. (Chin, *Empowering Women*, Executive Summary)
- ❑ **Governments can build capacity** of both women-owned businesses and government procurement officers. (W20 Women's Entrepreneurship Working Group)

- ❑ **Establish targeted procurement mentoring programs** [that] focus on front-end or gateway barriers, such as identifying contracting opportunities, easing access to contract information and identifying contracting opportunities through on-line tendering platforms, bid writing and submission processes, and pre-qualification processes. (Orser et al.)
- ❑ **Prioritize outreach and information sharing about contracting opportunities** and processes, in multiple languages, via women business owner associations and centers, newcomer programs, immigrant investment forums, and ethnic associations. (Orser et al.)
- ❑ **Ensure gender-sensitive procurement training** that focuses on underrepresented groups of business owners [including associations for women, minority and immigrant entrepreneurs]. Federal funding ... might usefully be tied to performance of such organizations in terms of engaging and advising diverse groups of business owners with respect to securing federal contracts. (Orser et al.)

## PROMOTE GENDER-SMART PROCUREMENT IN THE PRIVATE SECTOR

- ❑ **Encourage private corporations** to spend more of their procurement budgets with women's businesses (increasing the overall 'pie' of available money so that it includes private-sector spending). (Rimmer)
- ❑ **Mandate a percentage of procurement spending** that corporations should aspire—and creating incentives (rewards and penalties) for compliance. (Rimmer)
- ❑ **Encourage greater transparency** – for example, establishing **a standard set of metrics** that companies (including first- and second-tier suppliers) can use to evaluate themselves, and publishing an **annual report**. (Rimmer)
- ❑ **Foster awareness of gender equality via public reporting** of representation, salaries and corporate practices, through vehicles such as **cross-sectoral ranking indexes** or other. (Rimmer)

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## 2. Recommendations For Corporations

- ❑ **Lobby for more national regulation on gender equality.** (Rimmer)
- ❑ **Support government reforms** in pursuit of more diversity in procurement and reap the benefits of reforming their business plans and showing leadership. There are inherent economic and risk-mitigation **benefits to having a diverse supply chain.** (Rimmer)
- ❑ **Read and apply the corporate best practices** in the UN manual *The Power of Procurement: How to Source from Women-Owned Businesses*, written by Keric Chin in 2017.
- ❑ **Provide leadership and engage with government about public procurement reform** and participate in pilot programs to reform national procurement practices. (Rimmer)

## 3. Recommendations For Regional And International Organizations

- ❑ **Use their convening power to share best practice** and produce model codes and legislation. (Rimmer)
- ❑ Understand more deeply **links between gender-smart procurement and anti-corruption practices.** (Rimmer)
- ❑ Explore the **links between gender-smart procurement and next-generation international trade.** (Rimmer)
- ❑ **Develop and populate global procurement maps** with information, such as ITC's map, and a G20/W20 procurement map that could be developed. (Rimmer)
- ❑ **Encourage increased transparency** [by collaborating] on the issues, with other countries in regional and international organizations. (Rimmer)

## 4. Recommendations For Researchers

- **Improve SME procurement data and analytics.** Robust analytics are needed to help determine the costs, benefits and conditions of alternative policy interventions, such as sole sourcing, weighted assessment criteria, set-asides, unbundling of contract requirements, complex versus more routine contracting, and size and sector-specific policy. This includes examining the value of gathering owner and firm profile information to accurately monitor and report on the economic and social impacts of procurement policy. ... Develop a holistic database on the attributes of SME suppliers and subcontractors. Such information is necessary to assess impacts of federal contracts in supply chains. (Orser et al.)
- **Work with sub-national agencies to understand diversity of SME suppliers.** The government is encouraged to undertake collaborative research with public and private organizations to inform policies, programs and practices that support diversity of SME suppliers. Answers ... would facilitate inter-governmental, cross-country and private/public sector comparisons, [helping to] enhance SME tender and contract opportunities. (Orser et al.)
- Create examples for others by **communicating case studies.** (Rimmer)
- **Conduct future research on subcontracting** ... about which little is known due to a lack of data. [Develop and disseminate questions pertaining to subcontracting relationships with federal supply chains]. (Orser et al.)



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## 5. Recommendations For Women's Business Associations

- **Work with a wide variety of actors**, including policymakers, government agencies, contracting officers, researchers, corporations, prime contractors, capacity building and certification organizations. Also work on curriculum development. (W20 Women's Entrepreneurship Working Group, based on the U.S. case study summarized in this Toolbox.)<sup>5</sup>

## 6. Recommendations For Development Finance Institutions

- **Contract with women-owned businesses**, as the World Bank has started doing in the last several years. (W20 Women's Entrepreneurship Working Group)<sup>6</sup>
- **Provide recommendations to financial actors**, including, for example the World Bank Group, the InterAmerican Development Bank and the Women Entrepreneurs Finance Initiative (We-Fi) on ways that they can catalyze access to both public procurement and capital for many women-owned businesses in developing countries. (W20 Women's Entrepreneurship Working Group)<sup>7</sup>

5. *Gender-smart Procurement Policies for Driving Change* references some of these stakeholders, and the U.S. case study in this report references others that must be engaged. Key developments that contributed to success in the U.S. study are shown in bold type, including the importance of women's engagement with curriculum development.

6. See the Snapshot in this report summarizing the World Bank's initiative to procure goods and services from women-owned businesses.

7. See the Snapshot in this report summarizing We-Fi's initiative in Senegal to increase public procurement for women entrepreneurs. We-Fi was launched at the 2017 G20 Leaders' Summit in Hamburg, Germany to increase women entrepreneurs' access to the finance, markets, and networks they need to start and grow a business. We-Fi supports several projects focused on increasing WSME's ability to access public procurement opportunities.



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