



EMPOWERING WOMEN THROUGH PUBLIC PROCUREMENT & ENABLING INCLUSIVE GROWTH



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EMPOWERING WOMEN

THROUGH PUBLIC PROCUREMENT & ENABLING INCLUSIVE GROWTH



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THE OPPORTUNITY:

EMPOWERING WOMEN THROUGH PUBLIC PROCUREMENT AND ENABLING INCLUSIVE GROWTH

Public procurement represents a huge opportunity to build a more inclusive economy, ensure equitable socio-economic recovery and promote gender equality through increased participation of women-owned (WOBs)¹ and women-led² businesses in public procurement. Gender equality has a positive impact on competitiveness, which is critical for a fair and sustainable procurement system; as the supplier base increases, both the supply chain and the type of products and services that governments can offer diversifies. Women bring innovation and diversification to the services and products provided by the government, particularly by ensuring that services and products that will benefit women are also designed by them.³ This enables women to reinvest in the local economies and increase the sustainability of supply chains,⁴ ultimately benefiting economies, families and communities.

While the scope of this brief is focused on empowering women-owned and women-led businesses through public procurement, it is worth highlighting the emerging field of gender-responsive procurement (GRP). In addition to sourcing from women-owned and women-led businesses, gender-responsive procurement is focused on promoting and procuring from organizations that adhere to gender equality in the workplace, marketplace and in communities so women and men can benefit equally from decent business and employment opportunities.⁵ Examples for practices implemented by gender-responsive organizations include, for example, ensuring equal pay for equal work, committing to non-discrimination in recruitment, equal promotion, and equal access to educational opportunities for all employees, offering paid parental leave for women and men and subcontracting with women contractors. Through this approach, gender equality can be achieved across all businesses and supply chains and supply chains, as presented in a recent issue paper by UN Women and ILO.⁶

1. Different countries may have their own definitions of WOB. In the UN system, the standard definition of a WOB is as follows. Women-owned businesses means a legal entity, that, at a minimum:
 - Is at least 51 per-cent owned by one or more women,
 - Is unconditionally controlled by one or more women over both long-term decision-making and the day-to-day management and administration of the business operations, and
 - Is independent from non-women-owned businesses;
2. For reference, a standard definition of WLB in UN Women is as follows: Women-led businesses means a legal entity in any field that has a minimum of 50 per-cent Women-identified representation in management with senior-level, strategic decision-making abilities.
3. International Labor Organization (2020). Empowering Women at Work. www.ilo.org/wcmsp5/groups/public/-/ed_emp/-/emp_ent/-/multi/documents/publication/wcms_756721.pdf
4. Interamerican Development Bank (2020). Gender and Commerce. <https://publications.iadb.org/publications/spanish/document/Genero-y-comercio-Una-relacion-a-distintas-velocidades.pdf>
5. International Labor Organization (2020). Empowering Women at Work. www.ilo.org/wcmsp5/groups/public/-/ed_emp/-/emp_ent/-/multi/documents/publication/wcms_756721.pdf
6. UN Women/ILO (2021). Rethinking gender-responsive procurement into an ecosystem for women's economic empowerment. www.unwomen.org/en/digital-library/publications/2021/07/rethinking-gender-responsive-procurement

BARRIERS FACED BY WOMEN-OWNED AND WOMEN-LED BUSINESSES

GENDER BIASES, NORMS AND GENDER DIVISION OF LABOUR



Discriminatory social attitudes and norms are reflected in women's market opportunities and outcomes. The gender division of labour is evident, for example, in the fact that women are concentrated in certain sectors that are valued less, and is deeply intertwined with the unequal division of care work, which is undervalued or unpaid. These gender-based constraints go hand in hand with forms of discrimination such as those based on race, ethnicity, nationality, sexuality, sexual identity and disability. Gender norms and assigned roles (such as bearing the primary responsibility for unpaid care work, including childcare and/or caring for elderly, disabled or sick relatives), constrain the time women are able to dedicate to their businesses. In addition, cultural attitudes and norms often justify gender discrimination,⁷ and issues of gender bias affect both women and men as employees informal organizations.

LIMITED ACCESS TO FINANCE



Gender inequality in society has a material impact on women's ability to generate income through entrepreneurship and business ownership. There are numerous constraints on women's equality in the financial system stemming from discriminatory laws (customary and statutory), regulations and institutions that limit women's access to physical property and other productive resources that can serve as collateral to obtain credit.

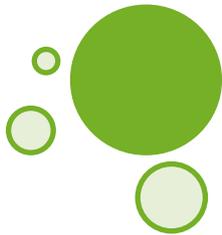
Women's enterprises are concentrated in sectors with low barriers to entry and limited growth potential because of persistent gender asset gaps and unequal access to collateral and credit. Only about 14-19 per cent of International Finance Corporation (IFC) loans are issued to women-owned small and medium-sized enterprises (SMEs),

7. UN Women (2019). Are you ready for change? Gender equality attitudes study. <https://data.unwomen.org/resources/are-you-ready-change-gender-equality-attitudes-study-2019>

despite evidence that they perform as well as those owned by men.⁸ It is essential for financial institutions to offer products and services that respond to the specific financial needs of women.

Women entrepreneurs' limited access to finance complicates their ability to acquire the working capital needed to apply for government contracts. Additionally, issues with payment delays in public procurement also mean that businesses need access to finance to compete for public contracting.

OPERATING ON A SMALLER SCALE AND IN INFORMAL SECTORS



The majority of workers in developing countries are self-employed, either as own-account workers or employers. Women typically have smaller businesses that do not grow or employ people at the same rate as men. Patterns of women's business ownership and self-employment reflect gender labour market segmentation. Women are more likely to engage in necessity entrepreneurship and be in informal enterprises compared to men. The smaller scale and informal nature of women's entrepreneurship, caused by structural gender inequalities, hinders their capacity to meet the often stiff requirements of large government contracts and other types of contracts, which require suppliers to be formally registered.

In Latin America, sub-Saharan Africa, and East Asia, women lead, on average, 23 per cent of small businesses compared to 11 per cent of large businesses.⁹

LIMITED PARTICIPATION IN NETWORKS AND AWARENESS OF TENDER OPPORTUNITIES



Interviewees from countries implementing GRP reforms,¹⁰ both from women-owned businesses and governments, mentioned that women entrepreneurs usually did not have timely information about procurement opportunities and procedures. Women often experience challenges related to access to, and inclusion in, business and information networks. This is compounded by the gender digital skills and access gap, requiring more support for women to build ICT skills¹¹ that will allow them to navigate digital platforms like e-procurement systems to identify opportunities and understand how to bid.

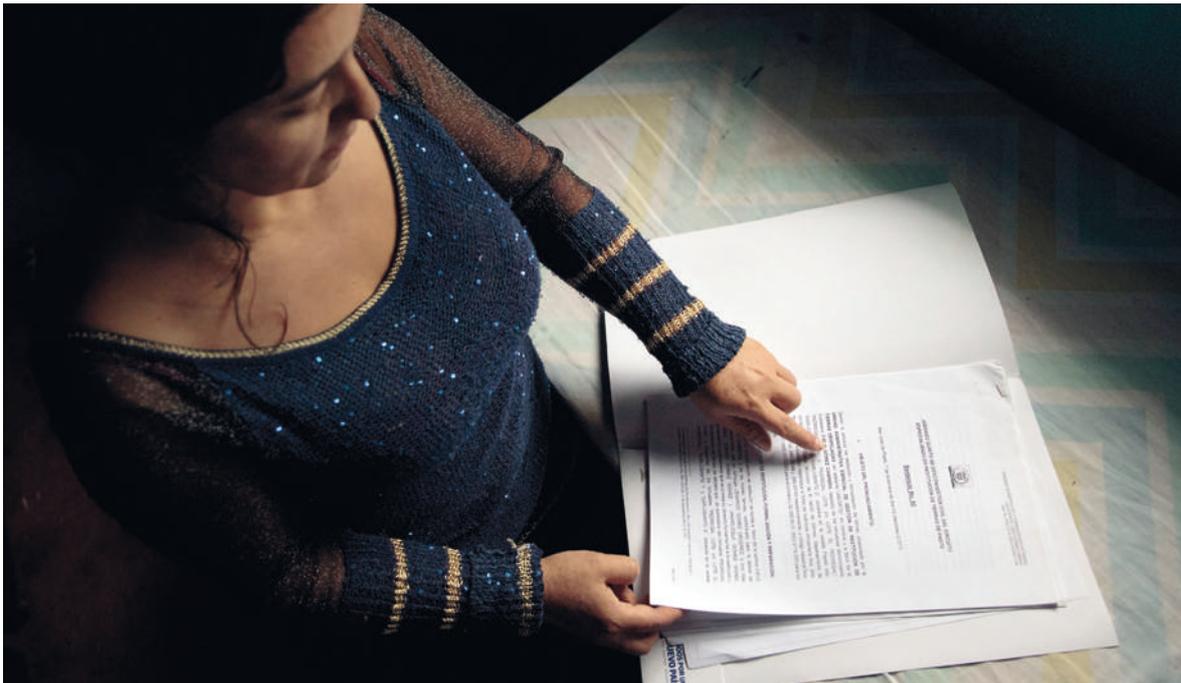
8. IFC (2014). Women-Owned SMEs: A Business Opportunity for Financial Institutions. www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aa0f485069a1/WomenOwnedSMes+Report-Final.pdf?MOD=AJPERES&CVID=kiiZZDZ
9. World Bank. World Bank Enterprise Survey Database. www.enterprisesurveys.org
10. Value for Women and Open Contracting Partnership (2020). Towards a gender balance in public procurement. www.open-contracting.org/resources/towards-gender-balance-in-public-procurement
Public procurement officials, implementation practitioners and entrepreneurial ecosystem actors from governments implementing gender responsive policies in Chile, Buenos Aires, the Dominican Republic and Colombia were interviewed through semi-structured interviews for this report.
11. SDG Knowledge Hub (2017). What is the gender digital divide, and why should it matter for the SDGs? <http://sdg.iisd.org/commentary/guest-articles/what-is-the-gender-digital-divide-and-why-should-it-matter-for-the-sdgs>

↑ In addition, women’s exclusion from business networks prevents them from accessing relevant information. This limits their access and exposure to investors and opportunities.¹² Large buyers find it difficult to identify and support women-owned and women-led businesses that could supply them. The same is true when identifying gender-responsive suppliers.

PERCEPTIONS OF CORRUPTION OR BIAS



Evidence from interviews with women-owned and women-led businesses in countries implementing GRP reforms¹³ shows that the limited knowledge of available procurement platforms and how to participate in public tenders led women entrepreneurs to believe that public procurement is linked to corruption. Women perceived the contract award process to be biased and questioned the fairness of public procurement processes. There is a general impression that large infrastructure contracts in particular are typically awarded to members of the ‘boys club’. Some studies have suggested that the participation of women in business leads to lower overall levels of corruption.¹⁴



A coffee grower and entrepreneur from Colombia supported by UN Women’s project on the Empowerment of Women Coffee Growers of El Tablón de Gómez. Photo: UN Women/Ryan Brown.

12. National Women’s Business Council (2018). Understanding the Landscape: Access to Capital for Women Entrepreneurs. www.nwbc.gov/2018/03/01/understanding-the-landscape-access-to-capital-for-women-entrepreneurs
13. Value for Women and Open Contracting Partnership (2020). Towards a gender balance in public procurement. www.open-contracting.org/resources/towards-gender-balance-in-public-procurement
14. Breen, Michael et al. (2015). Gender and corruption in business. <https://mpr.ub.uni-muenchen.de/63850>

CHALLENGES FACED BY GOVERNMENT REFORMERS

DIFFICULTY IN IDENTIFYING AND TRACKING SPEND ON QUALIFIED WOMEN-OWNED AND WOMEN-LED BUSINESSES



Many governments do not have a definition of a women-owned and women-led business and do not have systems in place to collect sex-disaggregated data about bidders, suppliers and where procurement spend goes. The same is true for gender-responsive organizations, which is a nascent concept in the ecosystem of gender-responsive procurement.

WEAK FEEDBACK LOOPS TO ENGAGE DIVERSE GROUPS



Many procurement officials lack formal and informal mechanisms to inform, engage and act on the feedback of diverse business communities. This limits access to relevant information that could inform government efforts to contextually improve gender-responsive procurement and engage meaningfully with relevant stakeholders on identified issues

GENDER-ROLE PERCEPTIONS IMPACT BIDS



Interviewees from countries implementing GRP reforms¹⁵ said that a cultural change in preconceived discriminatory beliefs about women is necessary to change the biases that exclude women from participating in bidding processes. Gender norms and assigned roles in which women have a greater responsibility in unpaid care work can have an impact on their capacity to participate in the procurement market, both as a supplier and as a stakeholder, as they have less time to prepare and submit bids and monitor procurement processes. At the same time, perceptions that women have greater unpaid care work responsibilities may also potentially bias the bidding process.

15. Value for Women and Open Contracting Partnership (2020). Towards a gender balance in public procurement. Available at: www.open-contracting.org/resources/towards-gender-balance-in-public-procurement

POLICY OPTIONS & RECOMMENDATIONS

IDENTIFY AND TRACK WOMEN-OWNED AND WOMEN-LED BUSINESSES

Define what a women-owned and a women-led business means in your context and identify sex-disaggregated data from procurement systems and/or company registers.

TABLE 1
Indicative gender and sex-disaggregated indicators, related analysis & use

	Identify	Understand	Verify	Use
Supply side procurement agency	Percentage of bidders, by gender	Analyze gender gaps in applications	Decide how stringent the verification will be	Develop targets for percentage of women bidders
	Percentage of contracts awarded, by gender	Identify gender gaps in contracts awarded		Develop targets for the number or financial amount of contracts awarded to women
	Total and average amount (in local currency) of contracts awarded, by gender			
Demand side users/suppliers	Percentage of complaints, by gender Open-ended feedback from women and men on the contracting process	Identify gender differences in satisfaction and needs	Decide how stringent the verification will be	Inform procurement strategy with feedback from women

As the application of gender-responsive procurement matures, a next step would be defining gender-responsive organizations and designing indicators to track them.

COMMIT TO GENDER EQUALITY

Make a commitment to gender equality and develop a strategy for gender-responsive procurement, including a policy statement, building institutional accountability for gender-responsive procurement and capacity building for procurement officials and prospective suppliers on business requirements and gender-responsive business operations. This will also require analysis of external markets vis-à-vis procurement categories of spend. The policy statement and

subsequent capacity building offerings should also integrate an intersectional perspective to include gender equality and diversity. This is important because gender-responsive procurement otherwise risks primarily uplifting businesses owned and led by women who are already well off in terms of socio-economic class, race, disability attitudes, age, geography, ethnicity and more.

IMPROVE TRANSPARENCY

Publish information about the planning, tender, award, contract and implementation of public contracts to demystify the process and empower businesses with access to information. Publishing sex-disaggregated data on suppliers and procurement spend is highly recommended.

Initiatives to increase transparency in public procurement, such as open data processes, can complement affirmative actions towards building a gender-responsive procurement ecosystem. Open data and the timely sharing of procurement information can enable greater transparency and accountability between governments and citizens. In turn, this transparency can help reduce perceptions of unfairness, bias and corruption in public procurement processes.

Governments can employ the Open Contracting Global Principles¹⁶ to demystify and open up the public procurement chain from planning to tender, award, contract and implementation from a gender perspective. For example, the procurement agencies of the Dominican Republic and Chile have transitioned

from an analog system to a digital one, and created public online procurement portals based on open contracting principles, *Mercado Público*¹⁷ in the case of Chile and *Compras Dominicana*¹⁸ in the Dominican Republic. These transactional portals cover all phases of the procurement process, including the distribution of electronic offers, and allows for public monitoring of contract awards, contract management and payments. These portals improve transparency and simplify and democratize public contracting procedures. They have made it easier for new suppliers and women-owned and women-led SMEs to access tender information, since the regulations mandate that all processes be published, regardless of the amount, and all interested parties may participate. Interviewees from both governments said the e-procurement platforms have contributed to increasing fairness and transparency while combating corruption. The portals proved vital during the COVID-19 pandemic, since emergency procedures were published in the system, allowing for better information sharing and faster procurements of PPE and other essential products.¹⁹

16. The Open Contracting Principles. www.open-contracting.org/what-is-open-contracting/global-principles

17. Mercado Publico. www.mercadopublico.cl/Home

18. Compras Dominicana. www.comprasdominicana.gob.do

19. It also allowed tracking indicators to improve the procurement system. For example, it enabled follow-up with the authorities on quarterly compliance with the percentage of each institution's budget to be allocated to women-owned businesses. This system of indicators was designed in the transactional portal (called SISCOMPRAS), including five sub-indicators and a specific assessment. www.dgcp.gob.do/siscompras

ENSURE FAIR PROCEDURES AND REQUIREMENTS

Governments should simplify applications and reduce the need for specific knowledge and time required to assemble tenders by streamlining and standardizing tender documentation and prequalification procedures across procuring entities. Public procurement officers should ask themselves what technical and financial prerequisites are necessary for respective contracts, and assess relevance for smaller contracts, including extending tender deadlines to account for women's time constraints and reduced financial means. Feedback systems should be developed, and queries that hinder the participation of women prioritized. Burdensome bureaucratic processes can make managing contracts more difficult, which is a particular problem for women who are more burdened by time and resource constraints in relation to administrative tasks.

Smaller businesses, the category WOBs are most likely to fall under, may be more time-constrained and/or have more limited resources than large corporations. In the Dominican Republic, a loan programme for SMEs²⁰ was introduced for businesses that demonstrated the capacity to deliver the bid, but needed additional resources to meet the respective requirements. Other considerations could include exploring additional tender evaluation points to women-owned or led businesses.

Excessive requirements can present a barrier for women-owned and women-led SMEs, which can be addressed by reducing legal and procedural requirements and ensuring that the included requirements are essential for the delivery of the service and work. In some cases, transparency and anti-corruption requirements may inadvertently restrict or make it more difficult for women-owned and women-led SMEs to apply or meet the requirements.²¹

PROMPT PAYMENT

To sustain women-owned and women-led businesses and their confidence to participate in the bidding process, prompt payment must be ensured. Women already face higher barriers²² in accessing loans to finance large procurement projects, including high interest rates, huge collaterals and demands for proven track records. Notably, during the pandemic loan applications from women-led businesses have been rejected at twice the rate of male-led businesses.²³ Therefore, if women-owned and women-led businesses are not paid on time, they may have difficulty getting access to bridge financing.



An entrepreneur from Arusha, Tanzania - Mama Nalepo in her shop, which she revamped after UN Women's training on managing accounts, record-keeping and business development. Photo: UN Women/Deepika Nath.

20. El Nuevo Diario (2019). <https://elnuevodiario.com.do/beneficiaran-a-las-pymes-lideradas-por-mujeres-en-rd>
21. R. Kirton (2013). Gender, Trade and Public Procurement Policy." Commonwealth Secretariat. <https://thecommonwealth.org/sites/default/files/news-items/documents/Gender,%20Trade%20and%20Public%20Procurement%20Policy.pdf>
22. IFC (2013). Vital Voices Global partnerships and MENA Women Business Network: Ready for Growth: Solutions to Increase Access to Finance for Women-Owned Businesses in the Middle East and North Africa. www.ifc.org/wps/wcm/connect/82dd57de-9675-4030-a347-d35fecceea7/12316-vv-sme-report.pdf?MOD=AJPERES&CVID=jVWrDP8
23. Women entrepreneurs finance initiative (2021). Available at: <https://we-fi.org/so-much-more-to-do-in-supporting-women-entrepreneurs>

BUILD AN INCLUSIVE PUBLIC PROCUREMENT ECOSYSTEM

Governments should seek to engage the entrepreneurship ecosystem, both to better understand the needs of WOBs and to build synergies with stakeholders who support women’s growth. Entrepreneurial ecosystem actors include: banks and financial institutions, business development service providers, non-govern-

mental organizations (NGOs), business networks and professional associations and corporations. With these actors, governments have the opportunity to jointly develop initiatives that strengthen the women’s entrepreneurship ecosystem and support GRP programmes, as explored in Figure 5 below.

TABLE 2
Entrepreneurial ecosystem actors that can support GRP

Actors that governments can engage with	Type of initiatives they can collaboratively plan and implement
Private sector corporations	<ul style="list-style-type: none"> • Share methodology, strategies and learning from developing a GRP system and implementing supplier diversity programmes. • Agree on shared GRP criteria and streamlined procurement frameworks. • Work to collaboratively promote gender-responsive business practices, for example outlined in the Women’s Empowerment Principles²⁴ to grow the pool of gender-responsive suppliers. • Collaborate on identifying WOBs and building a database.
Banks and financial institutions	<ul style="list-style-type: none"> • Support the development of products and services specially designed for WOBs. • Provide government guarantees for lines of credit for WOBs. • Collaborate on identifying WOBs and building a database.
Business networks, professional associations, women’s business organizations	<ul style="list-style-type: none"> • Identify challenges faced by women entrepreneurs and WOBs. • Develop and disseminate information on procurement and capacity building opportunities. • Organize events, trade fairs and business roundtables with the government where women entrepreneurs can engage with potential public and private buyers. • Collaborate on identifying WOBs and building a database.
NGOs and business development service providers	<ul style="list-style-type: none"> • Involve in the design of WOBs supplier databases. • Co-design and implement capacity building initiatives, such as specific training, mentoring and coaching programmes for WOBs and for public procurement professionals. • Collaborate on identifying WOBs and building a database. • Leverage various research and GRP tools to drive procurement reforms and cultural change to undertake procurement from a gender perspective.

24. Women’s Empowerment Principles. www.weeps.org

BUILDING CAPACITIES OF BUYERS AND SUPPLIERS

As emphasized throughout the brief, collaborations between government, NGOs, civil society and the private sector are necessary to remove barriers faced by WOBs in public procurement. Governments must consider what organizational and cultural changes may be necessary, and their role in signaling and supporting these changes, when introducing gender-responsive reforms, as well as market research investments to identify and reach WOBs to facilitate the success of these reforms.²⁵



An entrepreneur from Colombia who participated in UN Women's project on the Empowerment of Coffee Growers, where she learned about her economic rights and more. Photo: UN Women/Ryan Brown.

WOBs also require capacity building to better understand and participate in public procurement, which could include basic knowledge on the legal framework and use of e-procurement platforms, as well as the use of public procurement data to better understand the market and potential buyers of their goods and services. Building these skills requires collaborative effort from both the public and private sectors.

At the same time, public procurement professionals need to enhance their ability to conduct procurement from a gender perspective and should increasingly expect to be held accountable for steps taken towards the effective implementation of gender-responsive procurement. There should be a cultural shift to ensure buyers are equipped to act as agents for change to pave the way for practical, realistic and results-driven solutions. Such capacity building should include skills on gender-responsive specifications and tender requirements, effective strategies for market research, the application of various GRP tools such as gender criteria and subcontracting plans, in-depth understanding of barriers WOBs face in building sustainable relationships with buyers and other stakeholders and establishing supplier development programs tailored to the needs of women-owned and women-led businesses.

One prominent example is Scotland – one of the first countries to identify public procurement as a tool to support women-owned and women-led SMEs. As early as 2009, and as a part of a major public procurement reform programme, Scotland designed a standard model called the Procurement Journey,²⁶ which provided guidance for public sector buyers who procure goods, services and care. Additionally, a Supplier Journey²⁷ toolkit was designed to provide guidance for how to bid for public sector contracts. Scotland also created a Supplier Development Programme that served as a network for peer-to-peer learning and support among suppliers, in particular MSMEs, including women-owned and women-led businesses.²⁸

In the following, we will explore six recent case studies from emerging economies where public procurement reform has made a marked impact on WOBs access to procurement markets.

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25. Sascha Hasselmayer (2021). Serving the Citizens – Not the Bureaucracy. www.thechicagocouncil.org/sites/default/files/2021-06/CCGA-City%20procurement_vFb%5B94%5D.pdf
 26. Scottish Government, Procurement Journey. www.procurementjourney.scot
 27. Scottish Government, Supplier Journey. www.supplierjourney.scot
 28. World Bank (2021). <https://blogs.worldbank.org/governance/gender-and-equality-public-procurement>

CASE STUDIES

The Dominican Republic

The Dominican Republic, through the General Directorate of Public Procurement, was one of the first governing bodies in Latin America and the Caribbean to implement an inclusive and sustainable public procurement strategy, which aims to achieve equal participation of women in procurement.

The Dominican Republic's procurement agency has employed gender-responsive procurement to improve the inclusion of women-owned and women-led businesses. Since September 2012 it has been working on incorporating a gender perspective in public procurement to eliminate and reduce entry barriers for companies owned and led by women. The country's new public procurement strategy led to an increase of 16 percentage points in contracts awarded to smaller businesses owned and led by women, from 10 per cent of contracts in 2012 (with a spending value of US\$ 41 million), to 26 per cent in 2019 (a spending value of US\$ 125 million). Although competitive public tenders are still male-dominated, the proportion of contracts awarded to women also increased, from 20 per cent in 2013 to almost 30 per cent in 2019.²⁹ But the agency's most important achievement was to develop a big picture understanding of the problem. It did this by increasing the availability of open data on tender opportunities, as well as measuring the participation of women-owned and women-led businesses. It also listened to the needs of women and the procurement agencies across the country and responded by implementing an open contracting reform to overcome the challenges evidenced in the data. It offered training on how to tender successfully on the online platform, and used knowledge of the local market to design processes, so the size of the contracts and requirements could be delivered by SMEs and local businesses whenever possible. Outreach was also undertaken to connect suppliers and potential suppliers with government institutions and to develop a public catalogue of women-owned and women-led business suppliers.



A business owner in the Dominican Republic receives a training. Photo: General Directorate of Public Contracts, Dominican Republic.

In 2020, 31 per cent of the COVID-19 related contracts and 27 per cent of the total value were awarded to women-owned businesses.³⁰ UN Women and the International Labor Organization supported the government by carrying out the first national participatory gender audit, which contributed to capacity-building among public buyers and helped consolidate an inclusive and sustainable procurement system. Additionally, the Dominican Republic established a gender marker in the State Suppliers Registry to measure and monitor the participation of companies owned and led by women and monitor compliance with affirmative action. UN Women is continuously assisting the government to promote and strengthen the country's agenda on gender mainstreaming.

29. Open Contracting Partnership (2020). www.open-contracting.org/2020/09/23/women-win-one-in-four-contracts-in-the-dominican-republic-thanks-to-inclusive-procurement-reforms

30. Analysis done by OCP using data published in Open Contracting Data Standard. <https://standard.open-contracting.org/latest/en/>

Chile

In 2014 the government of Chile pioneered a new public policy to increase the participation of women-owned and women-led businesses in public procurement. The government identified that only 36 per cent of businesses participating in the public market were women-owned, and the value awarded to these businesses was a mere 26 per cent.³¹ It also found that the maturity of women-owned businesses was usually lower than that of men, as was their size.

Between 2014 and 2018, ChileCompra –an agency under the Ministry of Finance– included gender-responsive policies in their public procurement system with support from the Inter-American Development Bank. By 2016, it had created a strategy that included

1. a normative framework for sensitization and capacity-building among public procurement officers,
2. a consolidation of the *Sello Empresa Mujer* (Women’s Supplier Certification) to identify women-owned and women-led businesses,
3. actions to increase the capacity of suppliers to engage in public procurement processes and
4. the creation of business networks.³²

Chile facilitated access to public markets by making its websites user-friendly and guiding potential suppliers through every stage of the procurement process with videos to increase the ease of understanding.³³ One of the initiatives –Directive 20– encourages sourcing from women-owned businesses. It provides recommendations and mechanisms for state buyers to increase the participation of women in public procurement and thus contributes to greater equality in the system.³⁴



Young entrepreneur from Chile developing a business concept in her office.
Photo: © Getty Images/Daniel Catrinhual.

31. Comunidad Mujer. Boletín #46 (2019). Compras Públicas con enfoque de género: un caso de éxito para el desarrollo sostenible. http://www.comunidadmujer.cl/biblioteca-publicaciones/wp-content/uploads/2019/07/Boletin_46_Compras-Publicas-con-Enfoque-de-Genero.pdf
32. ChileCompra - Comunidad Mujer (2018). www.chilecompra.cl/wp-content/uploads/2018/03/CompraspublicasinclusivasenChile.pdf
33. Hivos (2020). Inclusión de mujeres en las contrataciones públicas. <https://hivos.org/assets/2021/02/Inclusion-de-mujeres-en-las-contrataciones-publicas-1-1.pdf>
34. ChileCompra (2017). Conoce más sobre la Directiva 20 que fomenta la contratación de empresas propiedad de mujeres. www.chilecompra.cl/2017/11/conoce-mas-sobre-la-directiva-20-que-fomenta-la-contratacion-de-empresas-propiedad-de-mujeres

Colombia

Since 2019, the national procurement agency *Colombia Compra Eficiente* and the Office of the Presidential Advisor for Women's Equity have been working together to advance gender-responsive public procurement, with UN Women's support. This work includes data disaggregation and analysis, regulatory reforms, establishment of guidelines, pilot initiatives and provisions for transparency.

The COVID-19 pandemic has led to higher unemployment for women and attracted additional political attention to the importance of gender-responsive procurement. In October 2020, Colombia's President signed a directive³⁵ with guidelines to promote gender-responsive procurement. Colombia Compra Eficiente recently began publishing sex-disaggregated data about their public procurement, using the Open Contracting Data Standard.³⁶ The Agency is using data to analyse the differences in women's participation by sector, region and value of contracts. In 2020, 43 per cent of the contracts related to COVID-19 were awarded to women-led businesses. In competitive contracts, only 30 per cent were awarded to businesses with a woman legal representative. In terms of total value, contracts awarded to WOBs represented 18 per cent vs. 82 per cent of the total value for men.³⁷

In 2020 UN Women and the National Procurement Agency produced a report about women's participation in Colombia's public procurement, which established that women-owned and women-led businesses represent 56 per cent of the supplier base in selected procurement categories.

The Open Contracting Partnership (OCP) and UN Women are currently working with the National Procurement Agency and the Office of the Presidential Advisor for Women's Equity to implement the 2020 "Entrepreneurial Law".³⁸ This law mandated the cre-

ation of a normative baseline to promote the participation of women-owned and women-led businesses in public procurement. The current strategy includes guidelines for public procurement officials to incorporate gender-responsive procurement and supporting women-owned and women-led businesses on how to apply for these opportunities. Pilot initiatives in some territories were developed to improve the implementation of the strategy. The goal is to support cultural change in public procurement and the development and inclusion of indicators in e-procurement platforms to measure progress and impact, including provisions for transparency.



Luz Marina Rojas is the founder of the company Dipsa. She provides snacks for school meals in Colombia and the Colombian airline Avianca. Photo: Georg Neumann/OCP.

35. Presidente de la Republica de Colombia (2020). Directiva Presidencial No 11. <https://dapre.presidencia.gov.co/normativa/normativa/DIRECTIVA%20PRESIDENCIAL%20No%2011%20DEL%2013%20DE%20OCTUBRE%20DE%202020.pdf>
36. Open Contracting Data Standard. <https://standard.open-contracting.org/latest/en/>
37. Analysis done by OCP using data published in Open Contracting Data Standard. <https://standard.open-contracting.org/latest/en/>
38. Presidente de la Republica de Colombia (2020). Ley no 2069. <https://dapre.presidencia.gov.co/normativa/normativa/LEY%202069%20DEL%2031%20DE%20DICIEMBRE%20DE%202020.pdf>

Kenya

In 2013, the Kenyan Public Procurement and Disposal Regulations were amended by reserving 30 per cent of government procurement of goods, services and civil works for enterprises owned by women as well as youth and persons with disabilities (including women). To implement the mandate, the government of Kenya initiated the Access to Government Procurement Opportunities (AGPO) programme and now publicly reports its spend across these groups.³⁹

Despite some challenges with the implementation of the affirmative procurement policy⁴⁰ Kenya has seen a gradual increase in the proportion of its public procurement spend going to women-owned businesses and other disadvantaged groups. According to the Kenya Economic survey 2020, tenders reserved and awarded to women under AGPO increased from 7.4 billion KSh (approximately US\$ 66.9 million) in 2015/16 to 15.5 billion KSh (approximately US\$ 140.2 million) in 2018/19. According to preliminary figures, women entrepreneurs are expected to win 17,564 tenders worth KSh 17.3 billion (approximately US\$ 156.5 million), accounting for 52.7 per cent of the total value of the tenders awarded for this programme in 2019/20. Additionally, the number of tenders awarded to women increased by 100 per cent from 2015 to 2019/20 (from 8,795 to 17,564).⁴¹



Small business holders on a public procurement training in Kajiado county, Kenya. Photo: UN Women/David Mugo.

From the early stages of implementation, UN Women helped strengthen the capacity of women-owned businesses to submit successful tenders for government contracts.⁴² UN Women supported the development of a bidder's manual to increase women's access to public contracts, established the Commonwealth Business Women's Academy to train women on procurement and strengthened the government monitoring system by training procurement officers. UN Women also facilitates the country level monitoring of AGPO by the secretariat and Treasury. Lastly, a Women Enterprise Fund was established in 2016 to provide accessible and affordable credit to support women start and expand businesses to boost wealth and employment.⁴³

39. Kenya's Access to Government Procurement Opportunities (AGPO). <https://agpo.go.ke/pages/about-agpo>
40. Challenges included, for example, general lack of awareness of the AGPO opportunities among WOBs, insufficient funds for capacity building for both WOBs and the procurement officers, technical and financial challenges among WOBs, delay in payments for goods and services delivered, stiff tendering requirements, short timelines to respond to tenders, perception of corruption in government, and others. Source: Tabitha Kiriti-Nganga (2017). Kenya: Assessment Report to Government Public Procurement Opportunities for Women, Youth and People with disabilities. <http://wtochairs.org/sites/default/files/KENYA%20ASSESSMENT%20OF%20ACCESS%20TO%20GOVERNMENT%20PUBLIC%20PROCUREMENT%20OPPORTUNITIES%20FOR%20WOMEN%2C%20YOUTH%20AND%20PERSONS%20WITH%20DISABILITIES.pdf>
41. Kenya National Bureau of Statistics (2020). Economic Survey 2020, p. 345. www.knbs.or.ke/?wpdmpromo=economic-survey-2020
42. UN Women (2017). <https://africa.unwomen.org/en/news-and-events/stories/2017/04/kenya-empowering-women-through-gender-sensitive-public-procurement>
43. UN Women (2020). Women's Economic Empowerment in the Indian Ocean Rim. <https://www2.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2020/womens-economic-empowerment-in-the-indian-ocean-rim-progress-and-challenges-en.pdf?la=en&vs=3049>

South Africa

South Africa has been in the process of implementing a preferential public procurement policy and has placed women's empowerment through procurement at the heart of its COVID-19 recovery plan. In August 2020, the President announced a commitment that 40 per cent of government procurement spend would go to women-owned businesses.⁴⁴ The 2020-22 Open Government Partnership commitments⁴⁵ from the South African Government also prioritize inclusion for women-owned businesses in procurement. Government departments have incorporated this commitment into their procurement processes, and a technical task team was established to coordinate its implementation. UN Women has supported the work of the team, consisting of representatives from business and relevant government departments. South Africa has taken a consultative and engaging

advocacy approach to ensure buy-in and ownership from all stakeholders for its gender-responsive procurement strategy.

Additionally, UN Women facilitated input from women on the Procurement Policy Bill through a high-level webinar in 2020. A series of high-level workshops in collaboration with government and women's business associations were held on gender-responsive procurement and its potential impact on sustaining women-owned entrepreneurs during and post COVID-19. Women entrepreneurs were trained to participate in public tenders, and ongoing work with the private sector is being accelerated through the 90 Women Empowerment Principles signatories to amplify gender-responsive procurement.⁴⁶



Entrepreneurs taking part in a digital literacy workshop in South Africa.
Photo: UN Women/Karin Schermbrucker.

44. Presidency of South Africa (2020). www.thepresidency.gov.za/newsletters/message-president-cyril-ramaphosa-occasion-women%27s-day-2020
45. South Africa's National Action Plan 2020-2022. www.opengovpartnership.org/wp-content/uploads/2021/01/South-Africa_Action-Plan_2020-2022.pdf
46. United Nations Global Compact. www.unglobalcompact.org/take-action/action/womens-principles

United Arab Emirates

There is emerging momentum in the United Arab Emirates (UAE) to promote and advocate for gender-responsive public procurement. The Ministry of Finance has shared a commitment to direct 10 per cent of public procurement spend to SMEs.⁴⁷ To support this momentum, and since women-owned businesses represent 50% of all SMEs in the UAE,⁴⁸ UN Women is generating evidence on the types and sizes of women's businesses in different sectors, the gendered impact of COVID-19 and the barriers they face in accessing finance and procurement opportunities.

Additionally, UN Women is holding discussions with the Sharjah Investment and Development Authority, Dubai Holding and business women councils in Sharjah, Dubai and Abu Dhabi to advocate for and consolidate efforts towards implementing gender-responsive procurement practices. UN Women and the Nama Women Advancement (NAMA) are developing a directory of women-owned businesses with the objective of disseminating it among public and private sector entities. Lastly, women entrepreneurs are receiving training on various topics, including financial literacy, digital marketing, legal business setup, marketing and how to access procurement opportunities with UN Women's support.



Entrepreneurs at a UN Women networking event in Dubai, United Arab Emirates.
Photo: UN Women/Ian Hardie.

47. United Arab Emirates, Ministry of Finance (2020). www.mof.gov.ae/en/media/materials/News/Pages/1572020.aspx

48. United Arab Emirates, Ministry of Finance, open data. www.mof.gov.ae/en/opendata/Pages/default.aspx

CONCLUSION

The under-representation of women-owned and women-led businesses in public procurement is a critical issue for a more equitable society. Improving representation, and gender-responsiveness more broadly, including women's entrepreneurial footprint in the economy has significant potential for stimulating entrepreneurship as well as inclusive economic empowerment and growth.

This brief summarizes some of the challenges women-owned and women-led businesses are facing—and the main global approaches of public gender-responsive procurement that are making a difference, in line with the implicit objective of public procurement to create public benefit for all. These include growth of direct and indirect sourcing from women-owned and women-led businesses through reorganizing procurement systems, streamlining procurement processes, simplifying requirements, ensuring prompt payments, properly identifying and classifying women-owned and women-led businesses, targets setting and focused capacity building initiatives, among others.

To overcome existing barriers and challenges there is a critical need for more reliable, sex-disaggregated procurement data, where both OCP and UN Women have crucial roles to play – not least by publishing relevant data through open data throughout the public procurement process in the Open Contracting Data Standard format and the Women Count Flagship Programme of UN Women, which helps governments improve gender-data collection and analysis. Also, more insights are required to better understand what is holding progress back in making procurement more inclusive, which is largely context-specific.

More importantly, the mere inclusion of underrepresented and disadvantaged groups in public procurement is not enough on its own. To effectively promote gender equality through procurement, the approach needs to be holistic and include gender mainstreaming in the workplace by promoting responsible, gender-responsive and ethical business conduct to eliminate poor labour conditions, harassment and discrimination; in supply chains through subcontracting plans and supplier development programmes to grow the pool of gender-responsive companies that promote gender equality; and in the broader community through concrete and collaborative multi-stakeholder actions to advance gender equality and women's empowerment.



Entrepreneurs discuss their business plan at the entrepreneurship conference WeXchange. Photo: Georg Neumann/IDB Lab.

About Open Contracting Partnership

The Open Contracting Partnership is a silo-busting collaboration across governments, businesses, civil society, and technologists to open up and transform government contracting worldwide. We bring open data and open government together to ensure public money is spent openly, fairly and effectively. We focus on public contracts as they are the single biggest item of spending by most governments. They are a government's number one corruption risk and they are vital to ensuring citizens get the services that they deserve. We are an independent not-for-profit working in over 50 countries. We drive massively improved value for money, public integrity and service delivery by shifting public contracting from closed processes and masses of paperwork to digital services that are fairer and better.



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About UN Women

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to implement these standards. It stands behind women's equal participation in all aspects of life, focusing on five priority areas: increasing women's leadership and participation; ending violence against women; engaging women in all aspects of peace and security processes; enhancing women's economic empowerment; and making gender equality central to national development planning and budgeting. UN Women also coordinates and promotes the UN system's work in advancing gender equality.



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