

Bringing more women into the formal economy

Gender-Smart Procurement

Recommendations for governments:

Governments can play four primary roles in encouraging procurement from women-owned businesses (using both policy and spend levers).



1. Walk and Buy Your Way to Change

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

They can:



Set a political strategy to accelerate gender equity goals through procurement. Adopt the UN HLP recommendation into domestic policy and into the G20 Hamburg Leaders Declaration: "We pledge to deliver gender-smart employment and procurement practices";



Conduct a gender audit of procurement policy, and publish the results.



Revamp procurement policy to actively promote diversity by pursuing one or more of these sets of actions.

Define what it means to be a women-owned business; set target procurement spend (%/\$) against women-owned businesses (include as standard clause in RFIs/RFPs)

Preferential treatment or preference for companies with rigorous gender equality and diversity policies and gender equality reporting; and/or:

Introduce a government requirement that firms bidding for procurement contracts disclose information about their gender pay equity;



Drive equal representation at the government procurement function level



Develop a public database of women suppliers / open government contracts



Create examples for others by communicating case studies

2. Reduce Barriers, Increase Participation

Government can create the support mechanisms for a fertile environment for women-owned businesses to flourish.



Are there barriers to women's business/property ownership, access to finance, direct control of business, etc. that can be eradicated? Is reducing the size of tenders an option?



Are there laws / frameworks / targets that encourage women's business ownership and growth?



Make information available about education and certification process



Look at small business lifecycle and identify programs that create hurdles or bottlenecks, at critical junctures in a business's growth



Train procurement officers to build awareness of the importance of women enterprises for a healthy economy, and teach them how to set up procedures and targeted assistance that empower women owned businesses.

3. Grow the Size of the Pie

Expand government's role in encouraging private corporations to spend more procurement budget with women's businesses (increasing the 'pie' to include private sector spending)



Mandate a percentage procurement spend that corporations should aspire to – and create incentives for compliance (rewards and penalties)

Create greater transparency – establish standard set of metrics in how companies evaluate themselves (including first and second tier suppliers), publish annual report



Foster awareness of gender equity via public reporting of representation, salary, corporate practices

4. Get some sunlight on the issues



Create a G20 procurement map showcasing women business enterprises



Regional and international organisations can:

Use convening power to share best practice and produce model codes and legislation

Understand more deeply links between gender-smart procurement and anti-corruption practice

Explore the links between gender smart procurement and next generation trade. Ensure that the next iteration of the UNICITRAL Model Law on Public Procurement gives more guidance on the proper consideration of horizontal objectives, such as diversity.

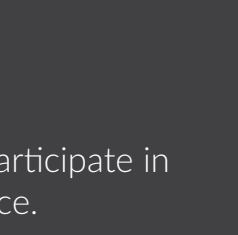
5. Corporates can reap the diversity dividend

"Reap the diversity dividend, and lobby for more national regulation in the right direction"



Corporates can support government reforms in pursuit of more diversity in procurement, and reap the benefits of their own business plan. Use the UN Women manual "The Power of Procurement: How to Source from Women Owned Businesses. Visit <http://buywomenowned.unwomen.org/> and answer the 5-question quiz. Pledge in public the importance of maintaining and establishing a diverse supply base, and make these programs a key part of their business plan.

Corporates can implement a comprehensive gender-responsive procurement program which includes top-level management support, techniques to encourage prime suppliers and sub-contractors to adopt gender-responsive procurement programs and targets and goals on percentage of corporate procurement spend on women-owned businesses. Corporate procurement can streamline application processes, provide feedback to suppliers and sponsor networking opportunities; all identified by the UN as effective strategies for removing barriers facing women-owned enterprises.



Talk to government about procurement reform and participate in pilot programs to reform national procurement practice.