

THE TIME IS NOW TO ACCELERATE
WOMEN'S PUBLIC PROCUREMENT

Strategies For Women's Public Procurement



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Adapted with permission from the International Trade Centre's *Empowering Women Through Public Procurement*.

Just removing barriers will not be enough to increase women's engagement in public procurement. The critical strategies listed below are adapted with permission from the International Trade Centre's *Empowering Women Through Public Procurement*, a publication that helped catalyze the beginning phase of the global movement toward government contracting with women-owned businesses.¹

Assistance strategies can be **targeted or untargeted** assistance strategies. An example of untargeted assistance could be an online portal that lists upcoming procurement opportunities. This portal would be available to any registered user.

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

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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Targeted assistance strategies would specifically encourage women-owned firms and other disadvantaged groups who want to sell to their governments. These strategies might include:

- » **Creating mandatory goals or targets**, such as the 5 percent goal in the United States (part of a 23 percent small business set-aside). While less controversial than quotas, they can include monitoring, reporting and oversight mechanisms to promote progress toward goals.
- » **Using subcontracting plans to** leverage the buying power, innovation and mentoring capabilities of large prime contractors to enable small firms to access public procurement contracts (as in the United States).
- » **Building in a price preference or margin of preference** to firms that are eligible for preferential treatment. “In these cases, the procuring entities artificially increase the bid price of the non-preferred firms by a set number of percentage points while making no adjustments to the bid prices of the preferred firms. Award is then made to the firm with the lowest evaluated (as opposed to proposed) price. Alternatively, the preference may take the form of additional points.” An example is South Africa’s Broad-Based Black Economic Empowerment program.
- » **Considering reservations or set-asides** may be very successful in certain contexts. They can also be a controversial form of targeted assistance. “They involve setting aside one or more procurement opportunities for competition among a preferred category of firms, such as women-owned businesses” that are allowed to compete for the set-aside. Some countries are firmly opposed to set-asides, and the European Union has rejected a set-aside for women-owned businesses as a form of “positive discrimination” (Advocates for women’s public procurement in Europe may be exploring some strategies to potentially overcome opposition to “positive discrimination” by creating a “carve-out” within public procurement initiatives for micro and/or small and medium enterprises). In 2013, “Kenya announced it would . . . reserve 30 percent of government contracts for women, youth and persons with disabilities.” Other countries in Africa, including Liberia, have also adopted this three-group set-aside practice. The International Trade Centre points out a potential issue: “International trade agreements and rules may, to some extent, limit government discretion in deploying preference schemes such as margins of preference or reservations. This is because preferences and reservations have often been used to discriminate against foreign firms, whereas one of the primary objectives of international trade agreements is to open up domestic procurement markets to foreign firms.”
- » **Supporting capacity-building programs as they** “are an important component of a comprehensive preferential procurement system.” For the system to be effective, supply must be matched to demand, and the supply must be of good quality. Governments can create programs that build the capacity of women-owned firms to compete successfully in public procurement. Women’s business associations can be important partners in curriculum building.²

2. See the U.S. case study on the role that women-owned businesses played in developing a curriculum for federal procurement. ITC also has an online curriculum focused on women’s public procurement.

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



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