



Supporting the participation of women-owned businesses in the US, Chile and Korea



Public Procurement Principle: **Access, Balance**



Procurement Stage: **Pre-tendering**



Audience: **Procuring entity, Policy makers, Private sector**

Description

On the supply side in the United States of America, steps are taken to support women-owned businesses in many ways: loans, technical assistance, etc. A national network of Women's Business Centres provides educational support, mentoring and counselling, and low-interest loan programmes are in place for women entrepreneurs.

In Korea, efforts have been made to simplify contracting procedures when contracts are being awarded to women entrepreneurs for contracts up to 50 million won. In addition, Women Enterprise Supporting Centres support and develop female entrepreneurs by offering advice, mentoring and training. Furthermore, a fund has been established to financially support women entrepreneurs who otherwise would have trouble accessing credit.

The Public Procurement Service, the Central Purchasing Body in Korea, gives advantages to suppliers that create job opportunities in general or employ people with disabilities. Advantages are also given to women-owned enterprises and businesses that employ a high number of women.

In Chile, the use of an 'e-marketplace' (Mercado Público) makes it easier for businesses to engage in public procurement (a web and mobile application). The fact that this platform is online has helped address many common barriers that micro, small and medium-sized enterprises (MSMEs) – which most women-owned companies are – face, including very large contracts, lack of access to information, limited skills and time to prepare bids and cumbersome bureaucracy. ChileCompra, the central purchasing body in Chile, introduced a programme to promote the participation of women-led companies in the public procurement market. There are training and mentorship programmes for women and guidelines to help officials include gender considerations in their tenders by incorporating gender-specific evaluation criteria. The results show that women-owned businesses now account for approximately 45% of the public procurement transactions that occur in Chile.

Many of the women that participated were from rural areas. 64% were the family's main wage earner. To determine which companies were women-led or women-owned,

ChileCompra launched a certification system, the Sello Empresa Mujer (Women Supplier Certification), that certifies “female enterprises” (sole proprietors) and includes this data in the civil registry. For more complex companies to be labelled “female enterprise” in the registry, additional criteria apply. Women have to own the majority of company shares and the CEO has to be a woman. A guide that identifies and seeks to address the issues faced by women who own businesses has also been developed by Sello Empresa Mujer.

Source: OECD 2021, Promoting gender equality through public procurement Challenges and good practices, Public Governance Policy Papers <https://doi.org/10.1787/5d8f6f76-en>

