

# RWANDA PUBLIC PROCUREMENT AUTHORITY (RPPA)



## Boosting Women-led Enterprises through Public Procurement

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August, 2022



# Outline of the Presentation



- ▶ Introduction
- ▶ Public Procurement System in Rwanda
- ▶ Fundamental Principles in Public Procurement
- ▶ Public Procurement and Gender Equality
- ▶ Place of women in public procurement
- ▶ How to boost women led enterprises in public procurement
- ▶ Success Factors
- ▶ Conclusion

## INTRODUCTION



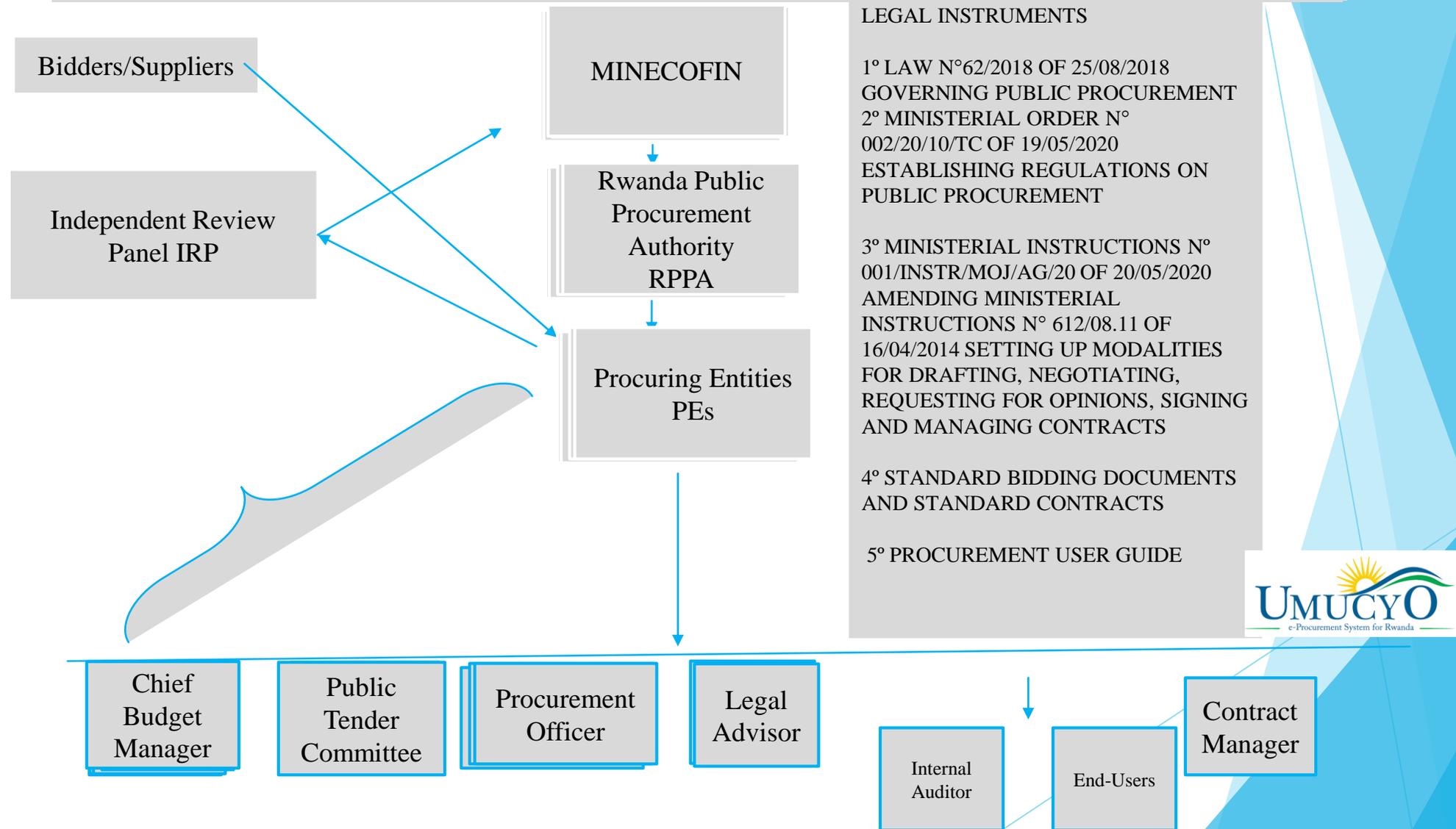
- ❑ Rwanda has achieved substantial socio-economic progress since the emergency and recovery period that followed the 1994 Genocide against Tutsi.
- ❑ In the area of gender equality and empowerment of women, the government of Rwanda recognizes the centrality of gender mainstreaming across all sectors and continues to explore and review relevant policies and legal instruments to ensure that gender equality and empowerment of women and girls are anchored on strong policy and legal frameworks.
- ❑ The overall goal is to improve gender equality and equity in various sectors while increasing women's access to productive economic resources and opportunities and ensuring that women and men are free from any form of gender-based violence and discrimination

# Public Procurement System in Rwanda

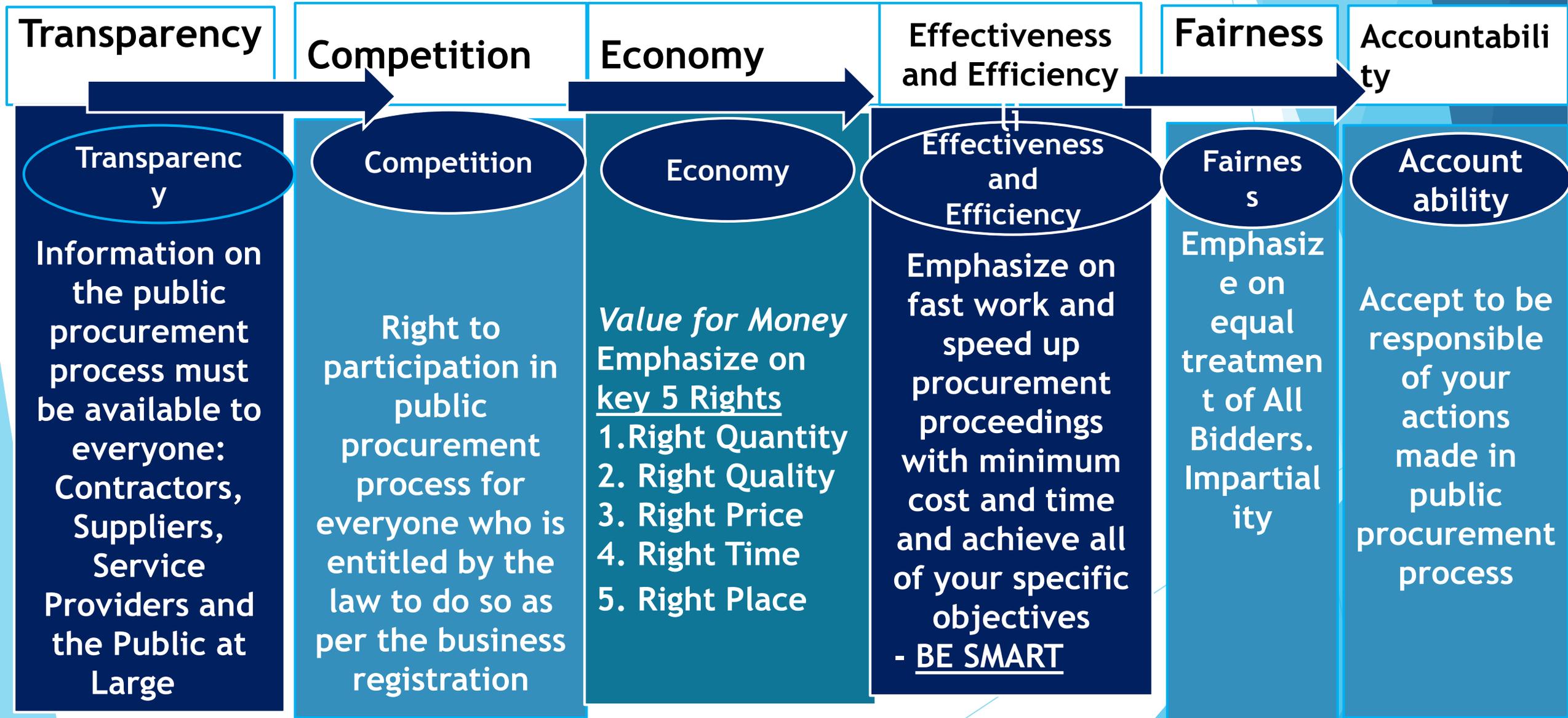
In Rwanda, Public procurement takes place in all public entities whose set up is shown below:

- ▶ 1) Supreme Institutions: Presidents Office, Parliament (Chamber of Deputies and Senate), Supreme Court and Prime Minister's Office
- ▶ 2) Ministries: 20
- ▶ 3) Agencies (Parastatals): around 100 (Number changes from time to time)
- ▶ 4) Provinces and City of Kigali: 5
- ▶ 5) Districts (Local Governments): 30
- ▶ 6) Subsidiary entities (sectors, district hospitals, district pharmacies, health centers and boarding secondary schools): about 2000 with small budgets

# THE RWANDA PUBLIC PROCUREMENT SYSTEM OPERATING MODEL



# Fundamental Principles Governing Public Procurement (Art.6 of the Law n° 62/2018 of 25/08/2018)



# Procurement and Gender Equality



- ▶ At its most basic level, sustainable public procurement aims to ensure that government spending benefits a country both economically and socially.
- ▶ This implies that by ensuring that businesses such as Small and Medium Enterprises (SMEs) are included in the government supply chain, public procurement has the potential to achieve economic and social benefits - including the creation of skilled jobs, increased domestic tax revenue, and more robust domestic economic growth.
- ▶ A study conducted by New Faces New Voices (Rwandan Chapter) in partnership with UN Women in 2019 confirmed a very limited participation of women-owned businesses in current tendering processes.
- ▶ From an indicative sample of 332 public tenders awarded in 2016/2017 and 2018/19, in the fields of agriculture, infrastructure, education gender trade and social protection, the proportion of tenders won by women-owned businesses is estimated at 13 percent only compared to 85% won by men owned businesses.
- ▶ In terms of value, out of a total estimated value of **RWF 34,587,392,200**, the tenders won by women-owned businesses represent only 5 percent (5%).

# Procurement and Gender Equality



- ▶ The study pointed to a number of barriers and challenges that may hinder women-owned businesses to participate in public tenders. These include: lack of financing to cover the required bid securities, required long business experience that exclude start-up enterprises from bidding, discouragement resulting from unsuccessful tendering attempts, lack of self-confidence, limited opportunities for networking, exposure to sexual advances by some procurement officers as a pre-condition for awarding contracts as well as limited access to market information and ICT;
- ▶ The current public procurement legal framework does not give any preferential scheme to enterprises led by women
- ▶ This is mainly due to the fact that it is offering an equal treatment to all bidders and the fact that no study has indicated the real number of companies led by women;
- ▶ Article 16 of the Constitution of the Republic of Rwanda of 2003 amended in 2015 stipulates that *“All Rwandans are born and remain equal in rights and freedoms”, discrimination based on ethnic origin, skin colour or race, sex, economic categories, economic status, physical or mental disability...are prohibited and punishable by law”*

# Actual place of women in public procurement



- ▶ As innovative, committed and hardworking as they may be, for a long time now, women entrepreneurs have had low participation in public tenders globally.
- ▶ This also applies to Rwanda, a country known for fair women representation in politics and the civil service, among other areas
- ▶ Women are known to get small public tenders (tenders for crafts, supply of less value items, culinary, etc.). Women are still less confident than men about whether they have the knowledge, skills and experience required to start and run a new business.
- ▶ To bridge this gap, in 2014 the International Trade Centre during the World Export Development Forum (WEDF), launched an initiative to boost women entrepreneurs' participation in public procurement though the modalities of the initiative's implementation were unclear.
- ▶ By experience, it is never on the applicant's gender that a tender is awarded, it is by the value for money that the firm advertising the tender will get.
- ▶ Institutions that offer tenders usually have a price they want and the quality of services based on the background of the company.
- ▶ You have to provide reference(s) on what you have done before so that the institution can know what kind of experience you have. It's never about whether the company is owned by a man or a woman.

# How to Boost Women-led Enterprises through Public Procurement



- ▶ In the aftermath of the study on gender responsive-procurement in Rwanda, a number of measures has been initiated to boost women-led enterprises through public procurement. These includes:
  - ❖ awareness raising on opportunities offered by governing laws on procurement,
  - ❖ capitalizing on Rwanda's Community Approach to engage women organizations such as cooperatives to engage and benefit from public procurement at local level,
  - ❖ sensitizing women entrepreneurs to participate in work-related bids such as through Joint-ventures,
  - ❖ designing interventions for women entrepreneurs to enhance their capacities in areas such as financial management, tax processes, procurement processes, use of e-procurement and other ICT facilities, among others.
  - ❖ document major challenges faced by Rwandan women owned-businesses in engaging in public procurement processes, but also to highlight areas that require policy dialogue and potential refinements to render Rwanda's public procurement system more gender-responsive.
  - ❖ collectively take bold action towards improving women owned businesses to successfully compete in public tenders



# Success Factors

- ▶ Strong Political will and leadership
- ▶ Striving for good governance in all public sectors
- ▶ Reform in all public sectors
- ▶ Technical and financial support from financial institutions and development partners
- ▶ Availability of relevant skills in procurement and ICT
- ▶ Good ICT infrastructure
- ▶ Partnering with different institutions in offering courses in procurement
- ▶ Etc.

# Conclusion



- ▶ Rwanda has built the foundation for an efficient and transparent public procurement system.
- ▶ We need to build on this foundation are to address some issues including boosting women-led enterprises through public procurement.
- ▶ In order to render public procurement more gender-responsive, the following aspects were proposed to be considered but not limited to:
  - ❖ *Review the existing procurement legal frameworks:* Procurement regulations need to be clear about how and at which stage gender equality principles must be considered with the aim to ensure that needs and concerns of both men and women are sufficiently addressed. A fundamental principle on inclusiveness has been added in the draft law.
  - ❖ *Affirmative actions:* There is a range of affirmative actions that are analysis to see if they can be adopted to increase participation of women owned-businesses in the public procurement. These include for instance: ensuring tender quotas to women-owned businesses and inclusion of gender related features in the evaluation criteria.
  - ❖ *Encourage women and women-owned businesses to bid:* Women-owned businesses are generally smaller compared to those owned by men. Splitting larger tenders into smaller lots may help to increase participation of women-owned businesses in public procurement.

An aerial photograph of a vast, rolling landscape of green hills. The hills are divided into numerous small, irregular plots, likely agricultural fields. In the center of the image, there is a large, multi-story building complex, possibly a farm or a small town. The hills are covered in lush green vegetation, and the overall scene is bright and sunny. The text "THANK YOU" is overlaid in white, italicized font in the upper middle part of the image.

*THANK YOU*

*MURAKOZE*