

PPRA

PUBLIC PROCUREMENT
REGULATORY AUTHORITY

BOOSTING WOMEN LED ENTERPRISES THROUGH PUBLIC PROCUREMENT

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Thursday 18th August, 2022

PRESENTATION OVERVIEW

1. The case for public procurement as a strategic tool for women's economic empowerment;
2. Policy Framework
3. Brief on the Preference & Reservation Scheme
4. Highlight on the enablers
5. Scheme Challenges
6. Proposed Way forward

The Case for Public Procurement

Strategic importance of public procurement

1. Budget and Procurement Spend

- ❑ Governments in developing countries spend about 50% of their budgets in procurement of goods, works and services and this percentage is expected to grow over time.
- ❑ Approximately 30-40 percent of the National Budget (2.2 Trillion KES (approx. 600 B KES) is used by government to buy, goods, works and services from the private sector.
- ❑ The government is the largest single buyer of goods, works and service.

The Case for Public Procurement

Strategic importance of public procurement

2. A tool for social and economic development by promoting the participation of disadvantaged groups among them SMEs, Women, Youth and Persons with Disabilities in procurement contracts and promotion of local industry

Enhancing Participation of the disadvantaged groups Policy Framework

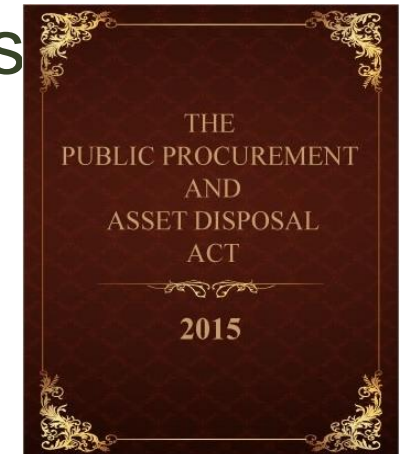


The Constitution of Kenya, 2010

Article 227(2) provides for an Act of Parliament that governs procurement and asset disposal and which provides for the protection or advancement of defined persons or categories.

Enhancing Participation of the disadvantaged groups Policy Framework

- **2. Public Procurement and Asset Disposal Act, 2015**
- **Part XII**
Aims at amongst others, improving access to business opportunities by the disadvantaged groups



Enhancing Participation of the disadvantaged groups Policy Framework

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- **3. Kenya's Vision 2030**

- Pillar No.5 on Social Strategy: In
◦ the people of Kenya.



BRIEF ON PREFERENCE & RESERVATIONS IN PUBLIC PROCUREMENT

➤ **“woman”** means a person of the female gender who has attained the age of **eighteen years** and includes **a company, association or body of persons, corporate or unincorporated** in which at least **seventy percent** of the shareholders, members or persons and a majority of its directors are of the female gender;

Note: Preference and reservation is in consideration to social and economic factors and is therefore an exception to non discrimination in public procurement.



Purpose of Preference & Reservation Scheme

- To promote local, national and regional industry and support socio-economic development
- To protect and ensure advancement of persons, categories of persons or groups **previously disadvantaged** by unfair competition
- To enhance capacity of locals to participate in govt. tenders. e.g. by facilitating credit, bid bonds and other securities.
- Set aside manageable sizes of procurements for SMEs.



Types of Preference and Reservation

Preference

- Local preference
- National preference
- Regional preference

Reservations:

- For disadvantaged groups e.g. Youth, women and PWDs
- Citizen Contractors
- Local Contractors

Mandate of the Preference & Reservations Secretariat

Ref: Section 157(17) of the PPADA, 2015

- (a) registration, prequalification and certification of the persons, categories of persons or groups as provided for;
- (b) training and capacity building of the above target groups;
- (c) providing technical and advisory assistance to procuring entities in the implementation of the preferences and reservations under the Act; and
- (d) monitoring and evaluating the implementation of the preferences and reservations under this Act.

Visit www.agpo.go.ke for more information



The Enablers:

- Budgets & Procurement plans - by reserving at least 30% of the Procurement budget for procurement contracts to WY&PWDs
- Unbundling of Procurements limited for SMEs and Disadvantaged Groups
- Only Tender Securing Declaration required instead of tender security
- Exempted from providing Performance Security and where n necessary to a maximum of 1%
- Filing fees for review by candidates under reserved procurements for women and other disadvantaged groups may be waived by the Administrative Review Board Secretary.



The Enablers – Cont'

- Competition limited to target group and same requirement must be stated in invitation notice.
- Facilitation of financing thro; authenticating their notification of award, LSO,LPO to financial institutions and undertaking to pay the contractor through their account with the financier.
- All money paid out to an enterprise owned by women is paid into an account where the mandatory signatory is woman.
- Payment shall not delay beyond 30 days.

Reflection

1. What is/are the nature/types of contracts awarded to the women category?
2. Are Procuring Entities (PEs) skewed in identifying the categories of goods, works and services that they reserve to the women category?
3. Any factors that would disadvantage the professional women-owned enterprises?
4. How can the women benefit?
 - Identify the relevant category of goods, works and services
 - Policy advocacy – Any other additional channels that can enhance participation of women?

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Scheme Challenges

Some of the notable challenges include:

1. Lack of scheme awareness
2. Lack of skills/Expertise and experience
3. Financial challenges
4. Lack of adequate segregated data to inform e.g. on participation of women and registration of women owned enterprises.
5. Lack of access to information.

Conclusion

There is in place, **government policies** that aims at women economic empowerment one of them being PPADA, 2015. However, the **opportunities are not fully utilized** and there is need for **periodic review** of the existing legislation to determine how adequately the policies meet the intended objectives and in specific, empowering the women. This calls for **robust partnership** among the key players with the Institute taking a leading role.

Proposed Way forward

Includes but not limited to:

- ✓ Enhance advocacy with relevant players/institutions such as the policy makers, professional bodies, financial institutions.
- ✓ Targeted and continuous training and sensitization of both the procuring entities and prospective bidders on the Preference & Reservation scheme.
- ✓ Exploring partnership with relevant government bodies to enhance information sharing on available opportunities etc.



THANK YOU