

GOLD VI

**Case-Based Contribution
to Chapter 8: Prospering**
*GOLD VI Report on Pathways
to urban and territorial equality*

Inclusive local public

procurement

In partnership with:



Inclusive local public procurement

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Milwaukee (US), Quito (Ecuador), Cali (Colombia), Rzgów (Poland)

CHAPTER

8: Prospering

SUMMARY

Local and regional governments allocate high amounts of money to the purchase of works, services and supplies. It is thus crucial that they promote inclusive local procurement (encompassing decent work, social inclusion of vulnerable groups and protection and promotion of human rights) as a key piece of a broader transformational strategy to tackle urban and territorial inequalities. Although procurement legislation offers little leeway to contracting authorities for the sake of transparency (even if malpractices abound), they can do it in all stages of the procurement process, in several fields and for different amounts.

Inclusive public procurement requires, amongst others, assessing the tools available and the stakeholders' needs and interests, while empowering the private sector by building trust and alliances (as in **Milwaukee**, US) and offering training and spaces for exchange such as in **Milwaukee** (US), **Quito** (Ecuador) and **Cali** (Colombia). It also entails capacity building for technical and political staff to exploit the legal and political possibilities (e.g. including quotas for specific vulnerable groups as essential obligations or as selection criteria in tenders; **Cali** (Colombia) and **Rzgów** (Poland)) and strong advocacy campaigns that empower 'daring' local governments.

However, several challenges still lay ahead, e.g. stronger monitoring systems that ensure sheer compliance by contractors, including traceability of human rights violations throughout the value chain, which may also be strengthened by the adoption of bold legislation and clear guidelines.

0. Objective of this CBC

In line with the broader approach and content of Chapter 8 on Prospering, this CBC aims to showcase several experiences on public procurement developed by local and regional governments in Latin America, North America and Europe whose aim has been to promote decent work, the social inclusion of vulnerable groups and the protection and promotion of human rights, as well as the support to enterprise development and resilience, including sustainable environment goals and innovation, in a way that fosters

urban and territorial equality. This has been called “inclusive local procurement” throughout the text. The methodological approach to this CBC includes desk research, fieldwork developed in 2018 by the author and, in the case of **Rzgow** (Poland) and **Cali** (Colombia), e-mail exchanges with a member of the cooperative involved in the procurement process in the former, and with the Director of Communications of the Cali City Council in the latter.

1. Background: Public procurement, not an equitable tool per se

Public procurement can be a lever for improving the efficiency and effectiveness of public spending.¹ In addition, and probably as critically, through this policy local governments have a strategic role to foster and achieve social, economic and environmental goals and to protect and promote human rights for the sake of public interest. And this goes well beyond the provision of universal, adequate, accessible and affordable goods and services to citizens, particularly to the different vulnerable groups. From the purchase of food for the school canteens to the building of roads and public facilities, from procuring office paper to contracting a technical assistance for the running of the gender-based violence support services, in a number of fields local governments have the power to carry out structural transformations to provide market security (by shaping market demand), reduce the risk and increase resilience of private enterprises, influence the conditions of the workers of the contractors and other companies involved in the production chain, revitalize

the local economy through local production and distribution, and promote equality in the provision of the goods or services contracted.

Local public procurement involves stacks of money around the world. Indeed, in the European Union, around 14% of the GDP is originated in the public purchase of works, services and supplies.² However, very different calculation methods are used by experts that may offer varied and even contradictory results. For example, while a study points out that public procurement’s share of GDP typically rises with per capita income,³ the data collected by another study prove that low-income countries have the largest share of public procurement in GDP, at 14.5%, followed by upper-middle income countries, at 13.6%.⁴ Shares may also vary greatly from country to country (for example, in fragile states procurement shares are particularly low), and from sector to sector, but some authors highlight that the actual size of public procurement is likely larger than what statistics show.⁵

1. OECD, “Government at a glance 2021”

2. Tornos et al. “Guía para la protección y la promoción de los derechos humanos en la contratación pública”, 24

3. Bosio et al., “Public Procurement in Law and Practice”

4. According to this study, in Eritrea, for example, “public procurement is a whopping 33 percent of GDP, due to both significant inflows of development assistance that go through public procurement and the small size of its tax base, which makes government expenditures almost entirely dependent on development aid. In Angola, the share is 26 percent of GDP, for much the same reasons.” See Djankov et al., “How Large Is Public Procurement in Developing Countries?”

5. Bosio and Djankov, “How large is public procurement?”; Hafsa et al., “Estimating the True Size of Public Procurement to Assess Sustainability Impact”

In OECD countries, local and regional governments represent the bulk of public procurement at national level: 63% of overall public procurement spending.⁶ US cities spend 1.6 trillion USD annually on construction, goods and services.⁷ While no conclusive data are available concerning the share of local governments' procurement in low- and middle-income countries, studies show that in these territories, particularly in unitary ones, subnational government expenditure as a percentage of GDP and public expenditure is much lower than in high-income ones.⁸ This makes us conclude that the impact of inclusive public procurement in these territories is likely to be much lower – but, in any case, local governments still purchase goods and services for the provision of waste collection, local road construction and maintenance, and social housing or to ensure the functioning of the organization itself (purchase of stationery, computers, official vehicles etc.).

Vulnerable populations are oftentimes employed by big corporations that offer precarious working conditions. For example, in many countries, people working in the electronics industry (and in many others, mining, clothing, food, construction etc.) are exposed to human rights violations, such as violation of freedom of association, forced labor, child labor, precarious wages, long working hours, poisonings, lack of occupational safety and health protection, and discrimination, along with armed conflicts, water depletion and environmental disaster that have a heavy impact upon the whole of the population.⁹ As tenderers, small companies and vulnerable populations face considerable barriers to accessing procurement tenders and winning procurement contracts. For example, women entrepreneurs supply only 1% of this market globally, which is not proportional to their share in the economy.¹⁰ In the European Union,



61% of public contracts above the EU thresholds were awarded between 2011 and 2017 to SMEs (often minority-led or employing members of such groups), which accounted for 33% of the total contract value even though SMEs represent over 99% of all companies.¹¹ Barriers include complex and bureaucratic public procurement systems for the sake of “transparent, fair, competitive and cost-efficient processes”¹² (although corruption and public procurement are oftentimes related),¹³ as well as legal, financial, technical and economic requirements (such as very large contracts or slow payment cycles) that are difficult to fulfil by MSMEs, who feel unable to compete with large businesses.¹⁴

Another challenge is the restricted communication and publication of contract opportunities, which does not allow MSMEs to have the necessary knowledge and information to bid.¹⁵ The conception of public procurement as a tool for the Administration to buy goods and services and not reach political goals and foster change is also a major challenge. There is usually a lack of human and technical resources within the Administration to develop, monitor and enforce more inclusive practices,¹⁶ as well as a certain reluctance

Women and the popular and solidarity economy in Quito.
Source: MercadoActivo

6. OECD. See above; OECD, “Public Procurement for Sustainable and Inclusive Growth. Enabling reform through evidence and peer reviews”

7. Griffin & Strong, P.C., “Culture, collaboration and capital: Leveraging procurement for economic equity”

8. OECD/UCLG, “2019 Report World Observatory on Subnational Government Finance and Investment – Key findings,” 55

9. ICLEI, Electronics Watch, Procura+, Make ICT Fair, “How to procure fair ICT hardware. Criteria set for socially responsible public procurement”

10. International Trade Centre, “Empowering women through public procurement”

11. de Bas, “Analysis of the SMEs’ participation in public procurement and the measures to support it - 697/PP/GRO/IMA/18/1131/10226. Final report,” 37-45

12. Siobhan and Swensson, “Leveraging institutional food procurement for linking small farmers to markets. Findings from WFP’s Purchase for Progress initiative and Brazil’s food procurement programmes”

13. The improvement of public opinion is also a goal to achieve when working for a more transparent system. In Norway a public survey was carried out in 2015. One question was: “To what extent do you think bribes and favoring family and friends takes place in Norway’s public sector?”, higher score meaning a negative situation. Results were the following: 60% in municipal level, and 56% at central level. Source: MAPS Initiative, “Assessment of Norway’s public procurement system. Testing the new methodology,” 89

14. OECD, “SMEs in Public Procurement. Practices and Strategies for Shared Benefits”

15. Learn this and other barriers for SMEs in: World Bank Group, “Technical Report: Policies that Promote SME Participation in Public Procurement”

16. Siobhan and Swensson. See above, 28

to innovate for fear of more conservative higher tiers of government or the judiciary's overruling of the decision in the light of usually constricting national frameworks.¹⁷ Due to this, the lowest price is usually the sole criterion for awarding contracts, still more so in times of shrinking public budgets.

Globalization has brought about massive international production chains and exchanges that have made it more difficult to ensure traceability of the products and services and, consequently, of the human rights violations that are produced in the countries of origin of the supply chains. Social, sustainable and pro-human rights public procurement has been enshrined in instruments such as the 2011 UN Guiding Principles on Business and Human Rights and the 2030 Agenda for Sustainable Development and promoted in companies' corporate social responsibility and due diligence instruments; however, they are only soft law tools and their lack of enforceability has had a relative impact so far, offering contracting companies room for impunity and the perpetuation of inequalities within and beyond their countries' borders.¹⁸ The COVID-19 pandemic has put procurement rules and processes under strain. In order to give preference to an urgent response, some solutions have been the flexibilization of conditions and even negotiated and direct awards.¹⁹ However, and without this being the focus of this contribution, these entail risks such as corruption, fraud and even bribery, or taxpayers' money being easily wasted on overpriced equipment or substandard services.²⁰ Developing detailed guidelines for emergency situations, keeping detailed records and justifications for all decisions and ensuring transparency prior to, during and after the contract execution are amongst the solutions proposed by institutions such as the OECD²¹ and the multi-stakeholder Open Contracting Partnership.²²

In light of the above, several local governments worldwide have taken action and included in their local legislation and policies procurement clauses that enhance worker and enterprise resilience, promote safe and healthy working conditions, facilitate MSME involvement with local governance and ensure the inclusion of vulnerable groups.²³ These actions aiming to build concrete alternatives to the current economic and urban development models that reinforce exclusion and inequalities, both in their territories and well beyond, are in line with the recent call by some local governments worldwide for states and regional organizations to support the UN Binding Treaty on Transnational Corporations and Human Rights.²⁴ It is thus not a bunch of isolated practices developed by scattered local and regional governments, but rather part of a joint commitment to debate how to improve local procurement and implement solutions from the inside, often supported by the associations of local governments. These are both subnational, as in the case of **Catalonia** (Spain), where the association has developed a platform and procedures for joint procurement amongst municipalities,²⁵ and national, as in Norway,²⁶ the UK, Netherlands, Australia or New Zealand.²⁷ Global networks have also committed to lead the evolution towards more inclusive and sustainable procurement, such as ICLEI, through the Procura+ European Sustainable Procurement Network and the Global Lead City Network on Sustainable Procurement, which includes cities from the global South such as **Quezon City** (Philippines), **Tshwane** and **Cape Town** (South Africa). These associations and networks act as working groups to develop supportive political frameworks for implementation of inclusive procurement, capacity-building activities and advocating campaigns and act as champions of inclusive and sustainable procurement.

17. Fairchild and Rose, "Inclusive Procurement And Contracting: Building a Field of Policy and Practice," 5-7, 19

18. A positive experience of due diligence schemes to achieve respect for labor rights standards implemented by local governments can be found in Sweden with regard to the electronics sector; see: Electronics Watch, "Public Procurement and Human Rights Due Diligence to Achieve Respect for Labour Rights Standards in Electronics Factories: A Case Study of the Swedish County Councils and the Dell Computer Corporation"

19. OECD, "Cities Policy Responses"

20. Beuter, "EU public procurement policy in the context of COVID-19"

21. OECD, "Public Integrity for an Effective COVID-19 Response and Recovery"

22. Hayman, "Emergency procurement for COVID-19: Buying fast, open and smart"

23. For a particular example of a local government's strategies and plans for inclusive local procurement, see the public procurement webpage and documents of the Barcelona City Council here: <https://ajuntament.barcelona.cat/contractaciopublica/ca/documents>.

24. Bindingtreaty.org, "Local authorities in support to the UN Binding Treaty"

25. Associació Catalana de Municipis, "Central de Compres del món local"

26. Innovative anskaffelser, "Startprogram"

27. Local Government Association, "Encouraging innovation in local government procurement. National Advisory Group report"

2. Local and regional governments, key partners in the achievement of urban and territorial equality through inclusive public procurement

When developed strategically and transparently, inclusive local procurement has an immediate impact for the MSMEs and vulnerable populations that participate in it. It “provides stable revenue and helps firms to gain the experience necessary to grow”,²⁸ often including the development of social and solidarity economy, small-scale producers, artisans, farmers and fishermen (which in turn may prioritize agro-ecological and organic production) and the organization of informal workers.²⁹ It also supports the creation of an enabling environment and better conditions for vulnerable groups employed by bidders such as women, racialized populations, indigenous people, or people with disabilities.

This also has spillover effects on the local community, as these providers “produce local supply chains, boost employment of local residents, and ultimately generate local tax revenue”, while improving public services through increased competition, effectiveness and quality, and reduced corruption (particularly through increasing diversity and number of tenderers).³⁰ As an example, women entrepreneurs tend to reinvest up to 90% of their earnings in their families and communities, directly linking inclusive economic growth to development.³¹ Due to their increased knowledge of the local needs, contractors may offer more tailor-made and sustainable responses, reducing costs, emissions and delays (and, in the case of food —a sector prone to inclusive procurement—, fresher products). Proximity also facilitates greater traceability of products and services through the supply chain, avoiding human rights violations in other countries as well.

This CBC approaches several best practices from Latin America, North America and Europe that, centered in different stages of the local procurement process, have achieved one or several of the results pointed out above.

2.1 Planning is essential: designing inclusiveness at the Milwaukee Common Council

Knowing how to use local data is essential to develop inclusive policies. A strong gap analysis and needs assessment in the procurement planning stage allowed the city of **Milwaukee** (US) to focus on the necessities and capacities of the local marginalized communities and better target them through their bids: in this case, the minority/women-owned business enterprises (MWBE, who represent only 4% of all businesses in the state of Wisconsin)³² arose as the target group. The city then partnered with its local African American Chamber of Commerce and other similar organizations, which allowed the Council to identify a lack of awareness of contract opportunities or knowledge about the process amongst MWBEs and, consequently, tailor specific actions to promote awareness of its new city-wide buying plan (information sessions, trainings, business networking, community input...). Clear communication, dialogue and a friendlier process³³ was key to get them onboard. The city also deemed necessary the development of a disparity study (currently underway in a participatory manner)³⁴ in order to examine further the extent to which MWBE participate in procurement processes with the city, whether

28. Griffin & Strong, P.C. See above, 7

29. The organization of informal waste pickers in cooperatives or associations legally allowed to participate in public tenders has been widely documented in Latin America (Belo Horizonte, Bogotá) and Asia (Bengaluru, Pune), amongst others. See Chen and Beard, “Including the Excluded: Supporting Informal Workers for More Equal and Productive Cities in the Global South”

30. Griffin & Strong, P.C. See above, 7, 18

31. International Trade Centre. See above, v

32. Shelbourne, “Milwaukee’s minority-owned businesses worry that city contracting isn’t equitable. A new study may provide the answer”

33. Griffin & Strong, P.C. See above, 29

34. Griffin & Strong, P.C., “City of Milwaukee Disparity Study Informational Webinar - March 25th”

this involves discrimination against these groups, and the specific factors and problematics that arise.³⁵ This will represent the legal basis necessary for the city to eventually adopt a MWBE-conscious program for public purchasing in the near future as other cities in the country (Dallas, Oakland etc.) have already done.

2.2 Outcome-focused inclusive metropolitan fairs for preferential procurement in Quito

Local governments can help SMEs/MWBEs qualify for more bids through more flexible requirements and a stronger focus on outcomes.³⁶ For example, preferential procurement provides stability for smaller providers and “levels the playing field when competing for government contracts”,³⁷ particularly when combined with the breaking down the object into smaller lots.³⁸

In Ecuador, the local economic development agency CONQUITO has been developing inclusive metropolitan fairs since 2011 to promote the participation of artisans, micro and small producers of goods and services in the procurement processes carried out by the municipality, giving preferential scoring to tenderers with special capacities, ethnic minorities and women and offering these and municipal staff the necessary trainings.³⁹ The process required negotiations between the political and technical staff to agree upon the progressive allocation of 10% of annual purchases to these groups working in specific sectors (gardening, waste management etc.) which are assessed on a yearly basis. Based on criteria not associated with market competition, but rather with inclusion and participation, **Quito** (Ecuador) has not only saved money but also promoted the popular and solidarity economy (PSE) with high levels of visibility and social acceptance. The launch of a public information and bidding

system at national level in parallel to the local one in 2015 achieved higher amounts allocated to PSE (from 1.2% of the annual plan to 6.9% in two years) to the detriment of the number of fairs and thus the proximity achieved in previous years. In any case, the commitment to flexibility in local procurement allowed a swift response to COVID-19 as PSE associations had the opportunity to provide the much-needed masks and other textiles even if they did not have the certificates required.

2.3 Fostering decent work within the contractor’s structure

Beyond opening local procurement to smaller companies or professionals, local governments have also fostered decent conditions within the contractors.

In **Cali** (Colombia), where female unemployment in 2018 amounted to 14.1% against males’ 8.2%, the Council undertook an affirmative action to empower women heads of household through public procurement. In a pilot project, contractors in charge of the service of surveillance of public facilities were required to give employment to 103 women heads of household (10% of the required personnel) in the contract performance. Based on this positive experience, in 2019 a set of binding guidelines adopted by the municipality made the inclusion of such clauses an obligation for providers of goods or services that are procured by the municipality on a regular basis.⁴⁰ The initiative, which also includes clauses for the employment of people with reduced mobility, pre-retired and young people entering the labor market,⁴¹ has been gaining traction. In the 2020 bidding, in order to demonstrate the municipality’s strong commitment with this mandate, the inclusion of a specific percentage (10%) of women heads of household became an essential condition of the

35. For example, for some contracts companies have to employ minorities to do 25% of the contract and there is a feeling amongst the population that no real interest exists in creating value and challenge the existing power structures but rather racism is still at the order of the day. See Shelbourne, above.

36. Open Contracting Partnership, “A Procurement Path to Equity. Strategies for Government and the Business Ecosystem”

37. Cutcher et al., “‘Double-taxing’ Indigenous business: exploring the effects of political discourse on the transfer of public procurement policy”

38. Open Contracting Partnership. See above, 23

39. Cruz-Rubio, “Participación ciudadana y compras públicas en América Latina: Estudios de Caso. Un informe de investigación de ILDA”

40. Alcaldía de Santiago de Cali, “Guía para la inclusión de la mujer cabeza de familia en las compras públicas. Versión 1. Código: MEDE01.05.10.18.P01.G02.”

41. Additionally, due to the nature of the contract (surveillance services), the conditions include providing “training on self-care for minors for the educational community of the institutions where the service will be provided on topics such as child abuse, bullying, sexual harassment or safety recommendations for the different stakeholders: students, educators, parents or guardians of students, school administrators, teachers and school managers.” See Alcaldía de Santiago de Cali, above

tender, making it a binding obligation with the corresponding sanctions for non-compliance.⁴² In the 2021 procedure,⁴³ the strategy changed. According to a press interview with the Director of the Administration department of the municipality, in the hearing with the eventual tenderers prior to the publication of the tender documents, in which conditions are presented by the municipality and discussed, the eventual tenderers (or some of them, no specific information is available) apparently argued against the inclusion of such clause as an essential condition. As a consequence, the municipality lowered its ambitions and required that it be offered as a 'commitment' by the contractor.⁴⁴ In including it as a selection criterion, and not as an essential condition, the municipality cannot establish as a requirement the specific number of women that the contractor shall employ. On the contrary, it allocates more points to those tenderers offering employment to more women. In this case, a maximum of 7 out of 100 overall points were allocated to this condition, and it was also included as a major tie-breaker (the second most important tie-breaker out of 13 criteria).

This reconceptualization of the use of such clauses in favor of the employment of women was positive for two reasons. Firstly, it helped find a middle point for consensus between the municipality's critical goal to fight inequality and the tenderers' capabilities whose voice, as said above, is critical to be heard (although a challenge here would be to ascertain to what extent it is a lack of capabilities or a lack of willingness). Secondly, given that criteria are now more flexible, the municipality ensures that more tenderers can meet them and present their offers while it keeps pursuing its inclusion goal, reducing the risk of developing 'customized' tenders and thus malpractices by the contracting authority. This contract

can lead to the generation of up to 2,000 jobs in the city,⁴⁵ of which 145 reserved for structurally discriminated populations.⁴⁶ The system has been replicated in other municipal tenders such as for the sanitation and disinfection services for all public facilities, generating in this case 144 direct jobs.⁴⁷ The Council is currently working on an advanced responsible public procurement strategy which will include women who have been victims of any kind of violence amongst the vulnerable groups targeted.

Likewise, in the EU, the procurement framework based on the 2014 Directives, even if it is widely attached to the principle of fair competition, still offers a small room for maneuver. In Poland, **Rzgów** launched a tender for municipal waste collection whereby the contractor, the local social cooperative Komunalka Rzgów, was required to submit a document confirming their status as a sheltered workplace or a declaration confirming that their activity includes the social and professional integration of persons who are members of socially marginalized groups and that at least 50% of the employees for the work at issue are members of socially marginalized groups.⁴⁸ The municipality had to face several challenges at the beginning: firstly, reluctance and lack of interest in the project by the targeted citizens; secondly, it had to ensure the procedure was not violating competition laws (as said, quite strict in the EU) and did not eliminate other entities from submitting their proposals. In the end, it resulted in the hiring by the contractor of three new staffers who had been previously unemployed and at social risk, the strengthening of the role of the social cooperative and better relations between the citizens, local stakeholders and the municipality.⁴⁹ Also, municipal waste management fees did not increase dramatically⁵⁰ and the experience has been replicated in subsequent contracts.

42. The contract agreed on the number of women to be employed, and after the award a meeting was held between the Council and the contractor to determine which female workers would be part of the contract implementation. See the municipality's 2020 tender information here: <https://community.secop.gov.co/>. For more information access the document 'PLIEGO DE CONDICIONES DEFINITIVO VIGILANCIA.pdf'.

43. See the municipality's 2021 tender information here: <https://community.secop.gov.co/>.

44. El tiempo, "Directora Administrativa de Alcaldía de Cali explica polémico contrato"

45. Alcaldía de Santiago de Cali. "Esta licitación pública generará cerca de dos mil empleos"

46. 60 women heads of household, 40 young people employed for the first time, 40 pre-retired adults and 5 people with disabilities.

47. Alcaldía de Santiago de Cali. "En marcha licitación de servicio de aseo para la Administración Distrital"

48. Tepper et al., "Making Socially Responsible Public Procurement Work: 71 Good Practice Cases"

49. EU Growth, "#WeBuySocialEU - Socially responsible public procurement - Interviews"

50. E-mail exchange with Iwona Maciejewska, from the social cooperative Komunalka Rzgów. 7 May 2021

3. Conclusions and steps forward

The examples above show that local and regional governments can promote inclusive local procurement to tackle urban and territorial inequalities in all stages of the procurement process, in several fields and for different amounts. To do so, it is essential to foster a political and legal enabling environment and procurement instruments that set aside traditional price-centered approaches to focus on equality as a valuable outcome, also linked to a wider local government strategy and straight-forward legislation (as was the case with the EU and Polish legislation in **Rzgow**, the Ecuadorian Organic Law on PSE and National Procurement System, and the Local Ordinance in **Cali**). After thoroughly assessing the tools available as well as the needs and interests of the different stakeholders involved, building trust amongst local companies and alliances with the most relevant institutions such as chambers of commerce or associations (**Milwaukee**, US) and offering trainings and spaces for exchange for eventual tenderers (**Milwaukee, Quito, Cali**)⁵¹ have also proved necessary to empower actors and really change their mindset towards more transparent, innovative and inclusive practices. Procurement legislation is usually very restrictive and offers little leeway to contracting authorities for the sake of transparency (even if malpractices abound). This very often leads to reluctant and mistrustful attitudes amongst the government staff in the face of eventual legal challenges of the social clauses introduced in the tender documentation, as demonstrated by the fieldwork carried out by the author of this contribution in the framework of the ‘99.3% responsible’ campaign.⁵² Consequently, as also shown by the good practices highlighted, capacity building for both technical and political staff so as to exploit the legal and political possibilities (such as including quotas for specific vulnerable groups as essential obligations or as selection criteria in the tenders; **Cali, Rzgow**) as well as a strong advocacy campaign that empowers ‘daring’ local governments are also necessary to overcome this challenge.

Several other challenges still lay ahead. One of the most crucial ones is the need for stronger monitoring systems that ensure sheer compliance by contractors, gather data and contribute to assessing the real transformational impact of such policies,⁵³ such as changes in the different vulnerable groups’ agency, empowerment and workplace equality⁵⁴ as well as traceability of the contractors’ compliance with human rights standards throughout the value chain, which may also be strengthened by the adoption of bold legislation and clear guidelines,⁵⁵ at subnational, national and international level, that do not remain silent in the face of gross violations of human rights within a country and beyond its borders (particularly in the global South). For the latter point, stronger international cooperation is needed as well to ensure that human rights violations in one country are not overlooked in another.

In sum, as the Western Cape Province’s ‘Green is Smart’ strategy states, “embedding of sustainable procurement is not the responsibility of a single service provider or one tender, but can only happen through strategic thinking, needs assessment, and political support to include a life-cycle perspective.”⁵⁶ What is more, local procurement is just a piece in the socio-political landscape of urban and territorial equality, for which reason it is important not to address all concerns at once and “avoid the temptation to layer policies with alternative aims which dilute their original intent”⁵⁷ and foster policy coherence for transformation within the institution and partners.

51. Also trainings for the political and technical staff in the local governments is key to raise awareness about the importance of inclusive procurement and offer the necessary tools and skills to accomplish this goal. For example, the national local government association in Norway, KS, together with Difi (Norwegian competence center innovation procurement and NHO (supplier development organization), offers such trainings as well as likewise necessary financial support programs.

52. Novact, Nexes, CooperAcció, Observatori DESC, SUDS, “99,3% responsable”

53. Ruiz, “Inclusión de mujeres en las contrataciones públicas: la experiencia latinoamericana. Un informe de investigación de ILDA”

54. Harris Rimmer (ed.), “Gender-smart Procurement Policies for Driving Change. Research Paper”

55. In Norway, 75% of the regional authorities and 59% of the municipalities have a procurement strategy, which is higher than authorities at the national level, where only 48% have such as instrument developed. Source: Romsaas, “Voluntary Subnational Review – Norway. Implementation of the UN’s Sustainable Development Goals in Norwegian Local and Regional Government”

56. Global Lead City Network on Sustainable Procurement, “Daring Cities use their public procurement power to tackle the climate crisis”

57. Cutcher et al. See above.

Acronyms

EU = European Union

GDP = Gross Domestic Product

MSME = micro, small and medium-sized enterprise

MWBE = Minority/Woman-Owned Business Enterprise

PSE = popular and solidarity economy

SME = small and medium-sized enterprise

UN = United Nations

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PROSPERING

This paper has been produced as a Case-Based Contribution to the sixth Global Report on Local Democracy and Decentralization (GOLD VI): the flagship publication of the organized constituency of local and regional governments represented in United Cities and Local Governments. The GOLD VI report has been produced in partnership with the Development Planning Unit (University College London), through the programme Knowledge in Action for Urban Equality (KNOW). GOLD VI focuses on how local and regional governments can address the local manifestations of growing inequalities and contribute to create “Pathways to urban and territorial equality”. The GOLD VI report has been produced through a large-scale international co-production process, bringing together over a hundred representatives of local and regional governments, academics and civil society organizations. This paper is an outcome of this process and is part of the *Pathways to Equality Cases Repository*, which collects the over 60 Case-Based Contributions produced as part of the GOLD VI report.

In particular, the present paper has contributed to Chapter 8 on “Prospering”, which focuses on prosperity as a culturally specific and multi-dimensional concept, including income but not only. The chapter explores key drivers of urban inequality reflected in the scarcity of decent work and in social-spatial disparities in the location of different productive activities within cities. The chapter analyses how local and regional governments can increase decent work opportunities, and, drawing on the impacts of COVID-19, how they can mitigate the effects of future pandemics and of climate change on decent work, urban prosperity and inequality.

Supported by:



**Funded by
the European Union**

This publication was produced with the financial support of the European Union. Its contents are the sole responsibility of UCLG and UCL and do not necessarily reflect the views of the European Union.



**Diputació
Barcelona**

This document was produced with the financial support of the Barcelona Provincial Council. Its contents are the sole responsibility of UCLG and UCL and do not necessarily reflect the views of the Barcelona Provincial Council.



**Sweden
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This document has been financed by the Swedish International Development Cooperation Agency, Sida. Sida does not necessarily share the views expressed in this material. Responsibility for its content rests entirely with the authors.



**UK Research
and Innovation**

This document was produced by UCLG and the “Knowledge in Action for Urban Equality” (KNOW) programme. KNOW is funded by UKRI through the Global Challenges Research Fund GROW Call, and led by The Bartlett Development Planning Unit, UCL. Grant Ref: ES/P011225/1