





CAPACITY ASSESSMENT OF STAKEHOLDERS FOR THE DEVELOPMENT OF GENDER RESPONSIVE PROCUREMENT PROGRAMMING IN VIET NAM

UN WOMEN IS THE UN ORGANIZATION DEDICATED TO GENDER EQUALITY AND THE EMPOWERMENT OF WOMEN. A GLOBAL CHAMPION FOR WOMEN AND GIRLS, UN WOMEN WAS ESTABLISHED TO ACCELERATE PROGRESS ON MEETING THEIR NEEDS WORLDWIDE.

UN Women supports UN Member States as they set global standards for achieving gender equality, and works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities: Women lead, participate in and benefit equally from governance systems; Women have income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women also coordinates and promotes the UN system's work in advancing gender equality.

Capacity Assessment of Stakeholders for the Development of Gender Responsive Procurement Programming in Viet Nam

Published 1st edition, 2023

Copyright @United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) All rights reserved. Reproduction and dissemination of materials in this publication for education and non-commercial purposes are authorized without prior written permission from UN Women provided the source is fully acknowledged. Reproduction of this publication for resale or other commercial purposes is prohibited without permission from UN Women.

Applications for permission may be addressed to registry.vietnam@unwomen.org

United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) Viet Nam Country Office

304 Kim Ma Street, Ba Dinh District, Hanoi, Viet Nam Tel: +84 24 3850 0100 Fax: +84 24 3726 5520 http://vietnam.unwomen.org

The view expressed in this publication are those of the authors and do not necessarily present the views of UN Women, the United Nations or any of its affiliated organizations.

ACKNOWLEDGEMENTS

The information in this Report has been gathered from various sources, which includes a desk review, quantitative and qualitative survey with key stakeholders conducted by SEACONSULT Joint Stock Company (SEACO) with technical support from UN Women.

The Report was produced under the overall management of UN Women and co-authored by Ms. Duong Thi Kim Lien, Ms. Dao Ngoc Nga, Ms. Dang Thanh Mai of SEACO, Ms. Nguyen Kim Lan, Programme Manager on Women Economic Empowerment and WE RISE Together Programme of UN Women Viet Nam, Ms. Katja Freiwald, Programme Manager and Technical Advisor on Women's Economic Empowerment of UN Women Regional Office for Asia and Pacific, with overall supervision from Elisa Fernandez Saenz, Representative of UN Women Viet Nam Country Office.

UN Women gratefully acknowledges the collaboration and support of the Agency for Enterprise Development (AED) of Ministry of Planning and Investment (MPI) for the survey organization. UN Women would like to thank the Australian Government - the Mekong-Australia Partnership for their financial support for this Report which was developed within the Programme "Creating equal market opportunities for women by advancing Supplier Diversity through Gender-Responsive Procurement (SD-GRP) in Viet Nam - WE RISE Together Programme" developed and implemented by UN Women.

Mục lục

ACKNOWLEDGEMENTS2	
EXECUTIVE SUMMARY6	
PART I. GENERAL KNOWLEDGE OF GENDER EQUALITY AND GENDER RESPONSIVE PROCUREMENT 9	
1.1. Definition of the key concepts of gender and gender equality	
1.2. Key related gender issues in Viet Nam9	
1.3. Concepts of procurement and procurement process11	
1.4. Concept of Gender-Responsive Procurement (GRP), and other related concepts	
1.5. Snapshot on WOBs and GREs in Viet Nam13	
PART 2. BACKGROUND AND METHODOLOGY14	
2.1. Background and objectives14	
2.2. Methodology for assessment of capacity building needs for promotion of GRP15	
PART 3. ASSESSMENT OF CAPACITY AND THE NEED FOR CAPACITY BUILDING FOR THE STAKEHOLDERS 1	7
3.1. General information on participating businesses in the survey	
3.2. Overall progress by stakeholders in the practice of GRP19	
3.3. Challenges and barriers for practice of GRPs from the perspective of the demand side including the public and private sector21	
3.4. The need of capacity building for the key stakeholders in the promotion of GRP	
PART 4. CONCLUSIONS AND RECOMMENDATIONS	
4.1. Conclusions	
4.2. Recommendations for Government	
4.3. Recommendations for demand-side businesses40	
4.4. Recommendations for supply-side businesses, specifically WMSMEs among WOBs and GREs 41	
4.5. Recommendations for supporting organizations41	
REFERENCES	

ABBREVIATIONS

ADB	The Asian Development Bank
AED	Agency for Enterprise Development
ASEAN	Association of South-East Asian Nations
GREs	Gender Responsive Enterprises
GRP	Gender-Responsive Procurement
GSO	General Statistics Office
ILO	International Labour Organization
MAP	Mekong-Australia Partnership
MAP-ERF	MAP's Economic Resilience Fund
MPI	Ministry of Planning and Investment
MAP	Mekong-Australia Partnership
MAP-ERF	MAP's Economic Resilience Fund
MSMEs	Micro, small, and medium-sized enterprises
SD-GRP	Supplier Diversity and Gender-Responsive Procurement
SDRs	Sustainable Development Goals
SMEs	Small and Medium-sized Enterprises
SEACO	Seaconsult Joint Stock Company
UNDP	United Nations Development Programme
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women.
VCCI	Viet Nam Chamber of Commerce and Industry
WMSMEs	Women-led Micro, Small and Medium-sized Enterprises
WOBs	Women-owned Businesses
WRT	WE RISE Together



EXECUTIVE SUMMARY

Embracing gender equality as set forth in the United Nations' Charter and Goal #5 of its Sustainable Development Goals (SDGs), UN Women works to advance gender equality and women's economic empowerment as part of resilience building and sustainable development across nations. In Viet Nam, UN Women contributes to the development objectives of the country's Socio-Economic Development Plan and National Strategy for Gender Equality.

WE RISE Together (WRT), a three-year Mekong-Australia Partnership (MAP) programme developed by UN Women, started in March 2022 to introduce Supplier Diversity and Gender-Responsive Procurement (SD-GRP) as a vehicle to expand equitable market access for Women-Owned Businesses (WOBs) and Gender Responsive Enterprises (GREs) in Thailand and Viet Nam.

The purpose of this report is to assess current capacity and identify the capacity-building needs of stakeholders involved in the development of GRP policies and programs, with a specific focus on creating equal market opportunities for WOBs and GREs through responsible gender procurement. The report aims to provide insights and recommendations on how to enhance the stakeholders' capacity to effectively implement GRP policies and programs in both public and private sectors, to support the business environment and promote equal operation of enterprises.

Our findings and recommendations are based on (i) a quantitative analysis of the data obtained from our surveying 212 enterprises and (ii) a qualitative analysis on information collected from 68 representatives of the public and private sector from the five cities and provinces of Ha Noi, Quang Ninh, Thua Thien Hue, Da Nang, and Ho Chi Minh City¹.



KEY RESEARCH FINDINGS

Our survey findings illuminate an increasing recognition among stakeholders regarding the paramount importance of gender equality and women's empowerment. These stakeholders manifest a strong inclination to support gender-responsive procurement as a strategic mechanism for enhancing social status, fostering economic growth, advancing equality, and augmenting the socio-economic contributions of Vietnamese women. Furthermore, the report reveals that a substantial proportion of the surveyed stakeholders share a consensus on the feasibility of implementing gender-responsive procurement in Viet Nam, contingent upon governmental endorsement and collaborative efforts from all the relevant stakeholders. Considering these observations, the findings of this report underscore the substantial potential of genderresponsive procurement to significantly contribute to the promotion of gender equality and sustainable development within the context of Viet Nam.

¹ The quantitative and qualitative survey was conducted from October 2022 to January 2023

On the Government side: Interviews with representatives from various Government agencies discovered that there was an absence of a clear criteria and legal framework for gender equality in procurement, resulting in the incoherent integration of gender equality and exclusion of WOBs and GREs. However, respondents revealed a positive attitude towards participating in training programs to better understand GRP. The promotion of GRP, WOBs, and GREs practices can contribute to gender equality and sustainable development goals. Moreover, promoting market access practices is crucial to the success of WOBs and GREs, particularly womenowned micro, small, medium enterprises (WMSMEs), and can create a level playing field for these businesses to compete and grow.

On the Demand side: Our survey indicates that most companies lack gender equality and women's empowerment criteria in their procurement policies and practices, and they have no systematic tracking or documentation of their suppliers by gender or other criteria. Product quality, pricing, and suppliers' creditability remain the top three factors influencing corporate procurement decisions. However, the survey also reveals that a high percentage of enterprises express their support for prioritizing micro and small-sized WOBs in procurement. When the principle of GRP is explained and when asked about their viewpoint on GRP, over 90% of businesses agree on a need to promote GRP and prioritize WOBs and GREs in the procurement process. Additionally, 89.1% support prioritizing businesses with more female workers, and 82.2% believe that gender equality criteria should be incorporated into procurement and bidding processes.

On the Supply side: In this study, the supply side focuses on WOBs and GREs. GREs here are understood to be those businesses that have established good practices in promoting gender equality in the workplace, marketplace and the community.

In Viet Nam, the majority of WOBs are micro, small, medium enterprises (MSMEs), with most of them operating in the service sector. These businesses face significant difficulties such as finding customers, funding sources, and coping with market changes, making them more vulnerable to economic downturns. A lack of capital and production scale, non-uniform and inconsistent product quality, and less than adequate output capacity is considered MSMEs' major obstacles to connecting with the supply chain. Access to financing is also challenging, with women-owned SMEs experiencing a financing gap of \$4.9 billion in Viet Nam, according to the International Finance Corporation (IFC). Many WOBs rely on conventional methods of marketing due to capital constraints, while gender stereotypes frequently



limit the ability of women entrepreneurs to focus on business development. The COVID-19 pandemic has further impacted WOBs negatively, causing many to close or struggle to survive. In public procurement, MSMEs face challenges such as difficulty accessing bidding information, inadequate time for bidding preparation, and elevated technical requirements. To overcome these challenges, WOBs require institutional, financial, and technical assistance to improve their competitiveness and establish their position in the supply chain.

On the supporting organizations side: Domestic supporting organizations, including local business support centers, encounter impediments when it comes to accessing up-to-date information and resources regarding gender-responsive procurement practices. This limitation hinders the ability to advocate for and implement GRP effectively. Insufficient capacity to deliver technical assistance and training on GRP can result in a lack of awareness among enterprises, perpetuating gender-based discrimination across the procurement processes. Additionally, financial constraints and a shortage of personnel can further encumber the efficacy of these organizations.

On the international stage, numerous supporting entities confront challenges arising from the inadequacy of the financial and technical resources required for the promotion of GRP practices. They also face difficulties in seamlessly integrating GRP into their MSMEs support initiatives. In the absence of adequate resources and support, these organizations may encounter difficulties in fully harnessing their potential to advance gender equality and sustainable development.

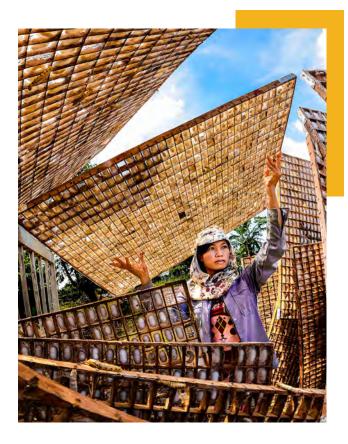
RECOMMENDATIONS

Our research and survey findings demonstrate that GRP represents an important measure to empower and enhance economic opportunities and competitiveness for female entrepreneurs and WOBs Viet Nam. We strongly believe that GRP can be successfully implemented, with support from the Government and cooperation between Ministries and agencies across sectors, once concrete policies and documents guiding GRP implementation are endorsed. The concept and criteria of gender equality and gender-responsive procurement should be mainstreamed in Viet Nam's legislation and policies on public and private procurement to support womenowned MSMEs as part of Viet Nam's broad effort towards equality, resilience, and sustainability.

We strongly recommend the Government review its legislation and policies on public and private procurement, to develop an appropriate framework and timeline to mainstream the criteria for gender equality and women's empowerment in its procurement system. We suggest relevant central government authorities collaborate with WOBs/ MSMEs, supporting organizations to develop media programs to publicize GRP and raise a significant level of awareness in the society and corporate community on GRP impact towards gender equality and women's economic empowerment.

The success of GRP practice in Viet Nam relies upon the establishment of a well-functioning GRP framework; the resilience of the procurement ecosystem's stakeholders; the collaborations and partnerships between stakeholders; and the presence of a gender-disaggregated database to track performance, narrow the gap in gender responsive policymaking, and disseminate knowledge and best practice in GRP. As such, the need for capacity building is critical, to strengthen our stakeholders' understanding, resilience, and collaboration in the ecosystem:

- For medium and large enterprises as buyers, training should be provided to help them understand gender equality and women's empowerment (GEWE) concepts and the business case for GRP, as well as the responsibilities and compliance requirements under GRP.
- For MSMEs as sellers, technical and financial assistance should be provided to enhance their competitiveness and thus ensure their success in GRP implementation. Key areas of capacity



training for MSMEs should include access to market information; technology & innovation; business management skills; access to finance; marketing, networking and linkages.

- For institutional stakeholders, there should be training to strengthen their capacity in implementing, enforcing, monitoring, evaluating, and reporting on GRP.
- For supporting organizations, training should be provided to improve their capacity on GRP knowledge and expertise, technical and training skills (as trainers for both buyers and sellers), monitoring and evaluation; together with partnership and collaboration building between stakeholders.

PART I. GENERAL KNOWLEDGE OF GENDER EQUALITY AND GENDER RESPONSIVE PROCUREMENT

1.1. DEFINITION OF THE KEY CONCEPTS OF GENDER AND GENDER EQUALITY

Article 5 of the Law on Gender Equality 2006 provides the following concepts related to gender and gender equality:

Gender refers to the characteristics, positions, and roles of men and women in all social relationships.

Sex refers to the biological characteristics of male and female.

Gender equality means that men and women have equal positions and roles, are provided with opportunities and conditions to develop their capacities for the development of the community, the family and at the same time enjoy the same achievements of that development.

Gender stereotypes/prejudice is a biased perception, a negative attitude and evaluation of the characteristics, positions, roles and capacities of men or women.

Gender discrimination is the limitation, exclusion, nonrecognition or disregard for the roles and positions of men and women, instigating inequality between men and women in both social and family life.

Measures to promote gender equality are measures to ensure substantive gender equality, issued by competent state agencies in cases where there is a significant difference between men and women in terms of positions, roles, conditions, opportunities to develop capacities and enjoy the achievements of development, and when applying the same regulations between men and women fails to reduce this difference. Measures to promote gender equality are, in theory, implemented for a certain period of time and ended when the purpose of gender equality has been achieved.

Integrating gender equality issues into the construction of legal normative documents is a measure to implement the gender equality goal by identifying gender issues, predicting the gender impact of the document, responsibilities, the resources to solve gender issues in social relationships that the legal normative document regulates.



1.2. KEY RELATED GENDER ISSUES IN VIET NAM

The 2021/2022 Global Human Development Report (HDR)² conducted by UNDP reveals that Viet Nam's Gender Inequality Index (GII), which measures the loss of human development due to gender inequality, continued to improve in 2021. Viet Nam's GII is 0.296, ranking 71 out of 170 countries. The GII considers reproductive health, empowerment, and labor force participation. Viet Nam performs well in reducing maternal mortality rates, increasing girls' enrollment rates in school, and women's participation in the labor force, but the representation of women in the National Assembly remains low.

According to the *Country Gender Equality Profile Viet Nam* 2021³, gender gaps in Viet Nam are currently combined with a generation of new gender issues. Enduring gaps include: increasing sex ratios at birth in a context which favors sons; gender stereotypes/prejudices in

^{2 &}lt;u>Human Development Report 2021-22 | Human</u> <u>Development Reports (undp.org)</u>

^{3 &}lt;u>Country Gender Equality Profile Viet Nam 2021 | United</u> <u>Nations in Viet Nam</u>

education where the choice of study majors find women directed towards certain narrow professions; vulnerable, unprotected, and low-paying jobs for women; prejudices against women holding leadership roles, especially in executive positions or public office at the commune level; high rates of intimate partner violence coupled with a lack of support services; and societal expectations that women are primarily responsible for unpaid productive work in the home and should balance this with paid work - while the infrastructure for caring for children and the elderly remains limited. Patriarchal norms place even greater limitations on women's choices. Emerging concerns include: the deeper existence and resilience of women amid the COVID-19 pandemic, specifically in terms of labor force and business participation; women's access to skills, education, and jobs in an increasingly digitalized economy, requiring knowledge of new technology; the gender disparities in wages and pensions contributing to financial hardships in later life; urban development reflecting the reality and desires of women; the management of agricultural restructuring to create opportunities for women transitioning to new income sources; and low participation rates of women in decision-making and planning related to enhancing their capabilities in information technology.

The *Country Gender Equality Profile Viet Nam 2021* underwrites the fact that the global COVID-19 pandemic has created significant gender-based damage. In Viet Nam, the participation of women in the workforce has gradually declined due to their dominance in the heavily impacted industries of tourism, retail, hospitality and light industry. The increased negative effects of the pandemic has exacerbated the incidence of domestic violence, as evident from the rise in hotline calls and support services compared to the 2019 period. Prolonged school closures, enhanced community health awareness, and a household duty of care have also increased the burden of unpaid care work for women in both the family and the community.

The *Country Gender Equality Profile Viet Nam 2021* also highlights gender issues in the labor market. Specifically:

- The female labor force participation rate decreased by 2.2 percentage points between Q4/2019 (76%) and the same period in 2020 (73.8%). The male participation rate also decreased by 2.1 percentage points from 81.4% to 79.3% in the same period. The gender gap in labor force participation also increased slightly to 10.8%⁴. COVID-19 has contributed to reduced working hours for women and led to job losses in the manufacturing and service sectors.
- 4 The calculation by ILO is based on Labor Force Survey data. ICLS13 standards are applied.

Young and older workers tend to be more prone to leaving the workforce.

- The high labor force participation rate can mask the reality that women dominate in jobs that are intrinsically vulnerable. Although men tend to work in higher-paying formal jobs than women, at rates of 78.9% and 67.2%, respectively, this is true for both genders in the groups of workers that lack job security and social insurance. Women make up a higher percentage of the workforce which contributes to the family economy, which is the case for the majority of women working in agriculture (85.9%). Moreover, only an estimated 10% of domestic workers have labor contracts, making them one of the most vulnerable group of workers in Viet Nam.
- A gender pay gap remains prevalent at 13.7%⁵ for formal employees. The General Statistics Office estimates the gender wage gap to be 29.5%, with a discrepancy of 21.5% in urban areas and 35.2% in rural areas. Yet women work similar hours to men and have similar levels of education. Women make up the majority of the low-paid sectors of the labor market and in part-time jobs. However, part of this gap continues 'unexplained' and reflects the structural discrimination and a 'disadvantageous labour market position' for 'mothers' which is cumulative for women.
- Gender bias has deeply influenced women's economic participation, including barriers to leadership positions and promotion based on a perception that women are primarily caretakers, creating biases regarding women's ability and knowledge. In Viet Nam, as in other countries, there is still a common belief that women are in fact 'secondary earners' while men are considered 'primary earners'. This remains true in both urban and rural environments.
- Despite progress in enhancing women's access to paid work, the economy is still structurally gendered ⁶, and women continue to face barriers in regulations, social norms, and culture to participate equally with men. Factors such as caregiving responsibilities, household work, and asymmetrical participation in more flexible job segments that pay less, low skill levels, and discrimination contribute to the persistence of these barriers.

⁵ Note that gender pay gap can be calculated in various ways, and this reflects the calculations used by the HR department.

⁶ Gender statistics in Viet Nam 2016. <u>Gender-1.pdf (gso.gov.vn)</u>

1.3. CONCEPTS OF PROCUREMENT AND PROCUREMENT PROCESS

1.3.1. Public procurement

Procurement is the process of selecting contractors to sign and execute contracts for consulting services, nonconsulting services, goods procurement, construction, and selecting investors to sign and execute investment projects. These occur in the form of public-private partnerships, investment projects using land based on ensuring competition, fairness, transparency, and economic efficiency (Clause 12, Article 4 of the 2013 Procurement Law).

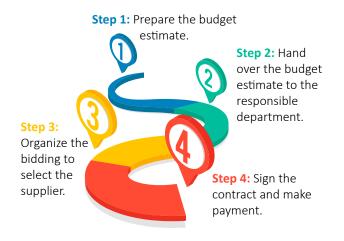
Public procurement is a form of procurement, regardless of goods, construction works or services, in which the primarily-invited bidders are organizations of the government and state (specifically, state agencies, organizations, project bidding investors, state-owned enterprises) using state budget sources.

There are two main methods of public procurement commonly used:

- Decentralized procurement: where agencies, organizations, and units directly purchase and use assets.
- Centralized procurement: where purchasing units at the national or ministerial level, sectoral or local levels will carry out procurement by bidding and deliver the assets directly to the end-users.

Public procurement procedures will vary depending on the specific method:

• For *decentralized procurement*, the process includes the following steps:





• For *centralized procurement*, the process includes the following steps:





The preferential principles for selecting contractors, as stipulated in Article 3 of Decree No. 63/2014/ND-CP dated June 26, 2014 detailing the implementation of some provisions of the Public Procurement Law regarding contractor selection, are as follows:

- In the event that, after applying preferential criteria, multiple bids or proposals are ranked equally, priority shall be given to the contractor with a higher domestic cost proposal or a higher number of local laborers employed (based on wage and compensation values).
- If a contractor qualifies for more than one type of preferential treatment, only the highest level of preferential treatment specified in the bid invitation or the bid proposal shall be granted.
- For mixed procurement packages, preferential treatment is based on all bids and proposals submitted by the contractor for all parts of the consulting, supply of goods, and construction work. The contractor shall be granted preferential treatment if the domestic cost proposal (for consulting, goods, and construction work) is 25% or more of the total value of the procurement package.

12

1.3.2. Commercial procurement

Commercial procurement of goods and services is a commercial activity in which one party (the bidder) invites other traders (the bidders) to compete for the opportunity to provide goods or services to the buyer in accordance with the buyer's specified requirements. The successful bidder (the winning party) is selected to sign and execute a contract. This process is governed by Clause 1, Article 214 of the Commercial Law of 2005⁷.

1.4. CONCEPT OF GENDER-RESPONSIVE PROCUREMENT (GRP), AND OTHER RELATED CONCEPTS

Gender-responsive procurement (GRP) is defined as 'the sustainable selection of services, goods, or civil works that takes into account the impact on gender equality and women's empowerment'. It is founded on international standards, agreements, and principles relevant to improving gender responsive working conditions and essential for upholding women's basic rights in the supply chain⁸.

A *Gender-Responsive Enterprise* (GRE) is defined as one that meets the criteria for integrating gender equality and women's empowerment principles in its policy and practice, and that is aligned with international norms and standards, including the Women's Empowerment Principles and International Labour Organization standards⁹.

A *Woman-Owned Business (WOB)* is defined by the International Finance Corporation for small and mediumsized enterprises as one that has (1) at least 51% ownership by women; or (2) is at least 20% female-owned and has (a) at least one woman as a chief executive officer, chief operating officer, president, and/or vice president; and (b) where a board exists, 30% or more females on its board of directors ¹⁰.

Supplier diversity: a formal programme which promotes the procurement from businesses that are at least 51% owned and operated by a traditionally underrepresented or underserved individual or group¹¹.

- 7 Viet Nam Commercial Law 2005 <u>COMMERCIAL LAW (wto.</u> org)
- 8 UNGM.
- 9 UN Women & ILO, 2021.
- 10 UN Women & ILO, 2021
- 11 Bateman, Barrington and Date, 2020 DOES NOT APPEAR IN THE REFERENCE LIST

1.5. SNAPSHOT ON WOBS AND GRES IN VIET NAM

The report Braving the waves: Survey results on womenowned businesses on COVID-19 impacts on women-led enterprises ¹² of VCCI in 2022 shows that:

- By the end of September 2022, there were 263,444 women-owned businesses out of 833,000 active businesses in the whole country.
- The percentage of women-owned businesses in 2021 Provincial Competitiveness Index (PCI) survey on businesses was 22.2%.
- The main fields of operation were commerce/ services. They mostly started as a household business.
- Most women-owned businesses were of micro or small size (accounting for 90.7% of the total women-owned businesses) and their average scope was smaller than that of male-owned ones. Up to 61.3% of women-owned businesses originated from individual business households.
- The four biggest challenges that WOBs face:

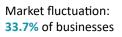


Seeking clients/customers: 64.3% of businesses



Access credit: 34.1% of businesses







Finding suitable personnel: **27%** of businesses

12 2022 VCCI Summary Report on WOBs in COVID-19 <u>https://</u> <u>vibonline.com.vn/wp-content/uploads/2022/11/2022-</u> <u>VCCI-Aus4R-SUMMARY-Report-on-WOBs-n-COVID-19-EN.</u> <u>pdf</u>



MGI's report¹³ has estimated that \$12 trillion can be added to global growth by advancing gender equality. Viet Nam could add \$40 billion a year to its GDP by 2025, which would see its current economic growth trajectory increase by about 10 percent. According to a 2017 Financial Times survey, even though Vietnamese women have a high participation rate in the labour force, they have the lowest female-to-male ratio in top management, with one woman to every eight men, compared with 1:5.6 in Malaysia, 1:2.8 in the Philippines and 1:2.2 in Thailand.

Currently, Viet Nam has no official concept of, or definition for GRE. Therefore, in this study, GRE is understood to refer to businesses with strong practices in promoting gender equality within the enterprise, market, and community. At present, Viet Nam lacks official information and statistics regarding such enterprises and their characteristics.

13 McKinsey, 2019 Advancing gender equality in Vietnam: A crucial balancing act | McKinsey

PART 2. BACKGROUND AND METHODOLOGY

2.1. BACKGROUND AND OBJECTIVES

The United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), grounded in the vision of equality enshrined in the Charter of the United Nations, works for the elimination of discrimination against women and girls; the empowerment of women; and the achievement of equality between women and men as partners and beneficiaries of development, human rights, humanitarian action and peace and security. In Viet Nam, UN Women contributes to the development objectives of Viet Nam's Socio-Economic Development Plan and the National Strategy for Gender Equality.

WE RISE Together (WRT), a three-year Mekong-Australia Partnership (MAP) programme developed by UN Women, started in March 2022. The programme responds to the prioritization of women's economic empowerment by expanding market access for Women-owned Businesses (WOBs) and Gender Responsive Enterprises (GREs) through procurement opportunities.

WE RISE Together tackles the structural gender inequities which exist within the global procurement market whereby WOBs secure only one per cent of both public and private procurement spending worldwide. By introducing and advancing increased market access through GRP, WE RISE Together operates with an overall objective to empower more women to gain equal access, leadership, and benefit from expanded market opportunities in Viet Nam and Thailand.

GRP is an important vehicle for enriching supply chains by broadening the range of suppliers of goods and services available to businesses and governments and for advancing women's economic empowerment. GRP promotes the principles of buying from WOBs to enable their equitable access to markets and buying from GREs in order to create further gender-responsive value chains. The WE RISE Together reflects an expanded definition of GRP that includes buying from WOBs and leveraging the potential of buying from GREs, regardless of the ownership.

The WE RISE Together programme operates in Thailand and Viet Nam, where the concept of GRP is still in its



nascent stages of development. Despite regional and national initiatives prioritizing financial inclusion of micro, small, and medium-sized enterprises (MSMEs), currently there is only a limited volume of gender-sensitive data available to promote GRP practices and policies.

The programme's activities provide evidence, information, and knowledge to raise awareness about GRP; offer technical support and training for WOBs and GREs to develop skills with which to build more genderinclusive and resilient business models; and facilitate the creation of referral networks amongst WOBs. In addition, it offers capacity building among public and private sector organizations to develop and implement GRP policies and practices and focus on establishing collaboration opportunities between larger public and private sector buyers and WOBs and GREs to facilitate future market connections.

The objective of this report is to assess current capacity and identify the capacity-building needs of stakeholders involved in the development of GRP policies and programs, with a specific focus on creating equal market opportunities for WOBs and GREs through responsible gender procurement. The report aims to provide insights and recommendations on how to enhance stakeholders capacity to effectively implement GRP policies and programs in both public and private sectors, to support the business environment and promote equal operation of enterprises.

2.2. METHODOLOGY FOR ASSESSMENT OF CAPACITY BUILDING NEEDS FOR PROMOTION OF GRP

The assessment of capacity building needs to promote GRP was conducted using a mixed-method approach, combining quantitative and qualitative research methods to gather information from relevant stakeholders.

Quantitative research method

The quantitative survey of businesses' gender equality practices in market access through procurement activities was conducted online. The questionnaire was designed in collaboration with gender experts from UN Women and experts from Ministry of Planning and Investment (MPI).

(i) Method: An online survey targeting buying and selling companies including WOBs and GREs in the retail and tourism sectors. The respondents were business owners or representatives of the Board of Directors. Some open-ended questions allowed for a non-response.

(ii) Tools: The online survey form was set up on a professional survey platform which could easily extract data fields.

(iii) Survey subjects: The survey form has been designed to maintain consistency in data fields when compared to other direct survey methods and to ensure that the data obtained is relevant to both the research questions and objectives.

Qualitative research method

The qualitative survey was conducted at the central level (in Ha Noi) and in four provinces/cities: Ho Chi Minh City, representing southern provinces; Quang Ninh representing northern provinces; while Da Nang and Thua Thien – Hue, represented centre provinces. The main methods used were focus group discussions and indepth interviews.

(i) **Method:** Focus group discussions (FGD) and in-depth interviews (IDI) with representatives of relevant organizations at both central and provincial levels, as well as some businesses.



(*ii*) **Tools:** FGD guideline and IDI guideline. Both guidelines were designed to ensure consistency and thoroughness in data collection across all participants and locations, and to ensure that the data collected would be relevant to the research questions and objectives.

(iii) Locations: Ha Noi city, Quang Ninh province, Thua Thien Hue province, Da Nang city, and Ho Chi Minh city.

(iv) Survey subjects:

- Central level:
 - In depth interviews with the Ministry of Planning and Investment and the Association of Small and Medium Enterprises.

• Provincial/city level:

- Focus group discussions: The research team conducted focus group discussions with various consortia including business associations, business clubs, WOBs and male-owned businesses in 4 provinces/cities including Quang Ninh, Thua Thien-Hue, Da Nang, and Ho Chi Minh City.
- In depth interviews: In depth interviews were conducted with representatives of organizations working in the field of gender equality promotion, women's empowerment, and support for WOBs development. Interviewees also included representatives of local government agencies such as the Department of Planning and Investment, Department of Industry and Trade, Department of Culture, Sports and Tourism, and the Department of Labor - Invalids and Social Affairs in the aforementioned 4 provinces/cities.

#	Location	IDI with enterprises	IDI with Government agencies	FGD with business associations/ clubs
I	Central level		2	
1	Hanoi		2	
п	Provincial level	53	10	3
1	Ho Chi Minh City	8	3	
2	Danang City	11	2	1
3	Thua Thien – Hue province	24	2	1
4	Quang Ninh province	10	3	1
	Total (I+II)	53	12	3

Table 1. Sample size of qualitative survey

PART 3. ASSESSMENT OF CAPACITY AND THE NEED FOR CAPACITY BUILDING FOR THE STAKEHOLDERS

3.1. GENERAL INFORMATION ON PARTICIPATING BUSINESSES IN THE SURVEY

There were 212 businesses participating in the survey, of which 87.3% were owned by women and 12.7% were owned by men.

In terms of industry sector, 40.6% of the businesses were in the fast-moving consumer goods (FMCG)¹⁴ sector, while 20.3% were in the tourism and related industries such as travel and hospitality. Additionally, 60.9%¹⁵ of the businesses operated in other industries such as processing, manufacturing, and real estate investment consulting services.

In terms of business types, 46.2% of the surveyed businesses were limited liability companies with two or more members, 27.4% were joint-stock companies, 10.4% were single-member limited liability companies, while 7.1% were private enterprises¹⁶. The remaining 8,9% constituted other types of businesses such as cooperatives and individual household businesses.

- 14 Fast Moving Consumer Goods (FMCG) include products with a short life cycle, relatively small profit margins, but are often sold in large quantities and have a high rate of repeat purchases, therefore, the accumulated profit on those products is quite considerable. Essential consumer goods such as food and beverages, personal care products, household appliances, functional foods, cleaning and laundry products, office supplies, and even consumer electronics are also considered FMCG.
- 15 In the survey form, one business can select multiple responses of industry sectors under which it operates
- 16 According to Clause 1, Article 183 of the Enterprise Law 2014, a private enterprise is an enterprise owned by an individual who is responsible for all of his or her assets for the enterprise's operations.



In terms of business size, most of the businesses participating in the survey were small or micro, specifically 54.3% were small businesses¹⁷ and 41.0% were microbusinesses¹⁸. A very small proportion, 3.8%, were large businesses¹⁹ and 0.9% were medium-sized businesses²⁰.

- 17 Small enterprises are defined as businesses that have a workforce of no more than 50 employees enrolled in social insurance on an annual average basis. Additionally, these enterprises either generate an annual revenue of up to 100 billion VND or have a total capital not exceeding 50 billion VND.
- 18 Micro-enterprises are defined as businesses that typically have a workforce of up to 10 employees who are enrolled in social insurance on an annual average basis. These businesses either generate an annual revenue not exceeding 10 billion VND, or their total capital is capped at 3 billion VND.
- 19 Large enterprises are businesses that employ an annual average of at least 200 employees who have participated in social insurance and have a total capital of at least 100 billion VND or a total annual revenue of at least 300 billion VND in the previous year.
- 20 Medium-sized enterprises are categorized as businesses with a workforce of up to 100 employees who are regularly enrolled in social insurance on an annual basis. These enterprises have either an annual revenue not exceeding 300 billion VND or a total capital that does not surpass 100 billion VND.

Table 2. Survey sample by characteristics

Content	Number of enterprises	Portion (%)			
Total	212	100.0%			
Breakdown by gender of business owner:					
WOBs	185	87.3%			
Men-owned businesses	27	12.7%			
Breakdown by field of activity					
Retail & fast-moving consumer goods	86	40.6%			
Tourism and related fields such as travel agencies, hotels, restaurants, etc.	43	20.3%			
Others	129	60.9%			
Categorized by business type					
Limited liability company with two or more members	98	46.2%			
Joint-stock company	58	27.4%			
Limited liability company with one members	22	10.4%			
Others	19	8.9%			
Private enterprises	15	7.1%			
Categorized by business size					
Small business	115	54.3%			
Micro small business	87	41.0%			
Large enterprises	8	3.8%			
Medium-sized business	2	0.9%			

Source: SEACO's survey results, 2022

Out of 212 participating businesses in the survey, 86.7% were small and medium-sized businesses owned by women, 27.5% were small and medium-sized businesses with a high proportion of female workers, and 6.2% were other types of businesses

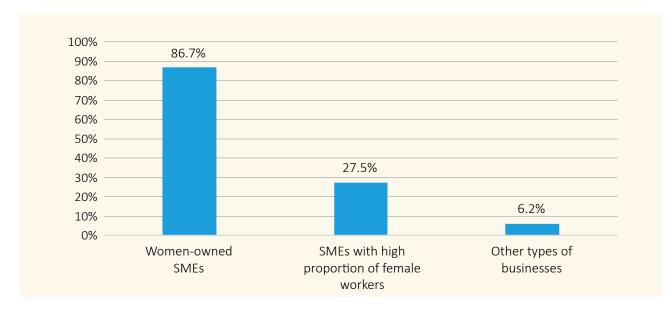


Figure 1: Type of businesses participating in the survey

Source: SEACO's survey results, 2022

3.2. OVERALL PROGRESS BY STAKEHOLDERS IN THE PRACTICE OF GRP

The survey results show that most businesses have, as yet, neither obtained complete information nor an understanding of GRP. They are not familiar with specific details such as what GRP is, its content, benefits, and how to implement it. However, some businesses have introduced measures to promote gender equality in the workplace. Some of these actions include:

Listening to the opinions of employees in the company

According to the survey, 207 out of 212 (97.6%) participating businesses answered this question, and most (96.6%) consulted female employees, male employees, or their representatives when making decisions related to the rights, obligations, and interests of female and male employees.

Promoting gender equality in the workplace

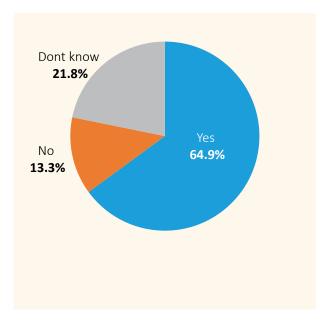
Out of 207 businesses that answered the question about specific activities to promote gender equality in the workplace, as many as 92.8% of businesses replied 'yes'. The remaining 7.2% of businesses have not yet implemented these activities.

Activities to promote gender equality in the workplace, according to specific qualitative surveys, include compliance with policies for female employees, such as working hours, maternity policies, and flexible working hours for mothers with young children. Other activities include prioritizing the recruitment of female employees.

Applying gender equality principles in the business

Survey results show that 64.9% of businesses apply gender equality principles to comply with commitments to customers as well as to fulfill their social responsibilities (such as Better Work in the garment industry, the PACE program of the GAP brand, etc.). The remaining 13.3% of businesses do not apply these principles. In addition, 21.8% of respondents were unaware of whether their businesses apply these principles or not.

Figure 2 : Business structure applying gender equality principles in the enterprises (N=211) (%)

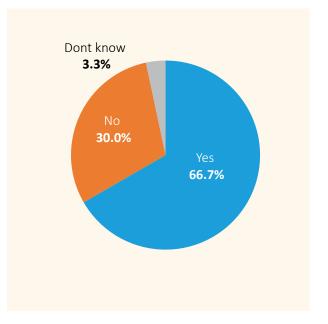


Source: SEACO's survey results, 2022

Joining gender equality networks, associations or empowering women

A very small proportion, only 30/212 (14.2%) of surveyed businesses answered this question, and among them, 2/3 of the businesses participated in gender equality networks, associations or empowered women. The remaining 30.0% of businesses did not participate. Additionally, 3.3% of respondents were unaware of whether their business participated or not.

Figure 3 : Business structure participating in gender equality and women's empowerment networks and associations (N=30)

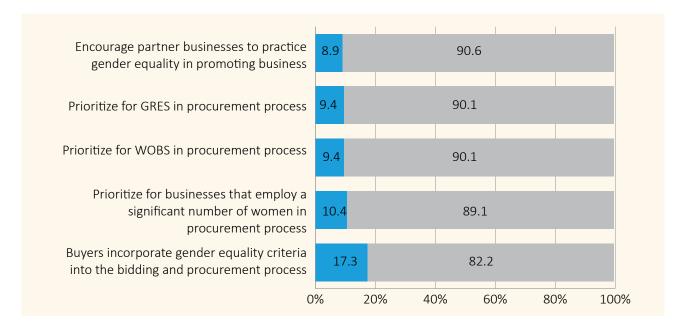


Source: SEACO's survey results, 2022

Promoting gender equality in the workplace and in business activities

Figure 4 presents the perspectives of businesses on promoting gender equality through their purchasing activities. 'Encouraging partner businesses to practice gender equality in their operations' is the most supported viewpoint, with 90.6% of businesses fully agreeing and 8.9% partially agreeing. Following that, 'providing incentives for businesses that practice gender equality in their operations' and 'providing incentives for businesses owned by women entrepreneurs' both have 90.1% of businesses fully agreeing and 9.4% partially agreeing; 'providing incentives for businesses that employ many female workers' has 89.1% of businesses fully agreeing and 10.4% partially agreeing. Finally, 'businesses purchasing goods based on gender equality criteria and procurement processes' has 82.2% of businesses fully agreeing and 17.3% partially agreeing.

Figure 4: Business perspectives on promoting gender equality in accessing market opportunities through business procurement (N=212) (%)



Source: SEACO's survey results, 2022

Applying gender equality principles in the business

Only 69 out of 212 (32.5%) surveyed businesses responded to the question on 'Expected efforts of businesses to achieve sustainability-related certifications (e.g. certifications according to the corporate social responsibility standards of the enterprise, certification of the national standard TCVN 12874: 2020/ ISO 20400: 2017 on sustainable procurement, etc.)'; of which, 92.8% of businesses plan to strive for these certifications. Businesses also wish to receive support for training on knowledge, documentation, technical equipment, and specific guidance to obtain these certifications.

3.3. CHALLENGES AND BARRIERS FOR PRACTICE OF GRPS FROM THE PERSPECTIVE OF THE DEMAND SIDE INCLUDING THE PUBLIC AND PRIVATE SECTOR

3.3.1. Experiences and challenges for buyers

206 out of 212 (97.2%) surveyed businesses participated as buyers of goods and services, of which: 184 businesses are owned by women, accounting for 86.8% and of the remainder 13.2% are businesses owned by men.

Number of primary suppliers

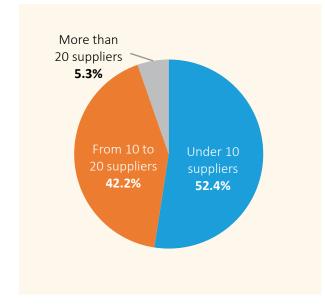
The survey results indicate that:

52.4% of businesses purchase their primary inputs from fewer than 10 primary suppliers for their production and operations.

42.2% purchase inputs from 10-20 primary suppliers.

The remaining 5.3% of businesses purchase inputs from more than 20 primary suppliers.

Figure 5: Input purchasing structure of the business by main suppliers (N=206) (%)



Source: SEACO's survey results, 2022

However, when asked about the number/percentage of WOBs as suppliers, very few businesses responded to this question. The reason is that businesses have not yet paid attention to gender factors and have not systematically tracked and managed their supplier network.

Qualitative survey results show that no businesses have paid any attention to whether their suppliers are owned by women or men. Businesses, including those owned by women, prioritize concerns about the quality and price of goods and services.

Establishing a procurement process

According to the survey results, the proportion of businesses with established procurement processes is relatively high, accounting for 75.7% (156/207 businesses). The remaining 24.3% of businesses do not have a procurement process in place. The procurement process can be simply understood as the steps and procedures that businesses follow to make purchasing decisions for necessary goods or services.

Procurement processes vary in scope and form across different businesses. Larger companies, especially those in the tourism industry, have established criteria for selecting service providers such as hotels, restaurants, and transportation services. For these businesses, the procurement process is developed and applied internally.

However, interviews with businesses also reveal that the criteria for selecting input suppliers does not include or mention whether the supplier is owned by a man or a woman.

We purchase goods from many sources and vendors, including both men and women. However, we have not paid attention to gender factors, whether the primary representatives of the suppliers are men or women. We are more concerned with other important factors for businesses. [Business owner, Quang Ninh province]



22



We have established criteria for selecting accommodations to book for customers who purchase our tour packages. These criteria are applied universally to evaluate the selection of rooms based on different standards. After each tour, our staff evaluates the satisfaction and responsiveness of the service provider, and this is the basis for the company to continue using their services for future tours.

[Tourism business in Ho Chi Minh City]

Smaller businesses, especially those in the retail sector, have very simple procurement processes, such as considering quotes, trial use, analyzing and comparing prices, and seeking high discount conditions. Similar to the tourism industry, for the retail sector, the decision to purchase from a supplier is often not based on the gender of the business owner.

For small and micro businesses in the retail sector, the majority of companies (48 businesses) purchase goods based on personal judgement. Survey results show that up to 83.3% of businesses will consider factors related to prioritizing purchases from women-owned businesses.

Procurement Process

Out of 156 businesses that have established a procurement process, 51.3% of them publicly announce their procurement process when bidding for goods, while the remaining 48.7% do not.

Procurement Methods

Survey results show that 75.6% of businesses bid for goods through a 'limited bidding within the supply chain network' approach, 69.9% through 'existing supplier relationships' and 66.7% through wide-ranging terms of reference (TOR) bidding.

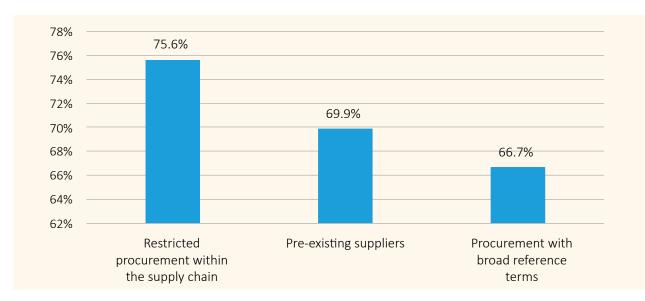


Figure 6: Forms of purchasing proposed by businesses (N=156) (%)

Source: SEACO's survey results, 2022

23

Buyers' methods of purchasing goods

Regarding the question: 'Whether businesses purchase goods through bidding or decide on their own?' only 50/206 (24.3%) businesses answered.

The survey of 50 businesses showed that the majority (74.0%) of businesses purchase goods through 'personal judgement'. 0% of businesses purchase goods through various forms depending on the procurement package, meaning they make a 'personal judgement' or 'bid', and only 4.0% of businesses purchase goods through bidding only.

For businesses purchasing goods through bidding, only 6/13 (46.2%) of the participating businesses continued to answer the following related questions, such as:

- Have businesses established bidding evaluation criteria or not?
- Are there any criteria related to gender equality mentioned in the bidding framework/process?

Due to the small number of businesses answering these questions, the report was unable to analyze the data on criteria related to gender equality as well as the obligations to promote gender equality for winning suppliers.

Key factors that businesses consider when making purchasing decisions

According to a survey of 206 businesses, 'product/service quality' is the most important factor that businesses consider when deciding to make a purchase, with 95.6% of respondents ranking it as important. The next most important factors are 'supplier credibility' (92.2%), 'product/service price and payment methods' (75.7%), and 'product/service delivery performance' (73.3%). Other factors, such as supplier customer service (49.5%), supplier long-term sustainability (45.2%), and 'supplier business culture' (13.6%) are also considered.

When making purchasing decisions, social factors are considered, but they are not a top priority for businesses. Specifically, only 26.2% of businesses consider the factor of a 'supplier's good performance in sustainable development and social responsibility goals'; 19.4% consider whether the supplier is a women-owned business; 17.0% consider whether a supplier employs many female workers; and only 8.7% consider whether the supplier has good gender equality policies in the workplace and in business.

Figure 7: Key factors that businesses consider when deciding to purchase (N=206) (%)





The first thing I care about when deciding to make a purchase is the quality of the goods, price, payment conditions... I truly don't care if the seller is a male or female-owned business, but if there are many sellers bidding for the same type of product, I also consider and prioritize purchasing from female-owned businesses as a form of 'sisterhood'... helping each other.

[Women-owned retail business, Ho Chi Minh city]

3.3.2. Experiences and challenges for sellers

There were 204 out of 212 (96.2%) businesses who participated in the survey as sellers of goods and services. Of these, there are 182 businesses owned by women, accounting for 89.2% and the remaining 10.8% are businesses owned by men.

Sellers' methods of accessing the market

The survey results showed that 'extensive marketing on various media' is the most important channel for businesses to reach out to buyers/customers, accounting for 82.8%; followed by 'direct access' and 'access through personal relationships' with both rates at 74.5%; and finally through 'supply chain networks' (64.7%).

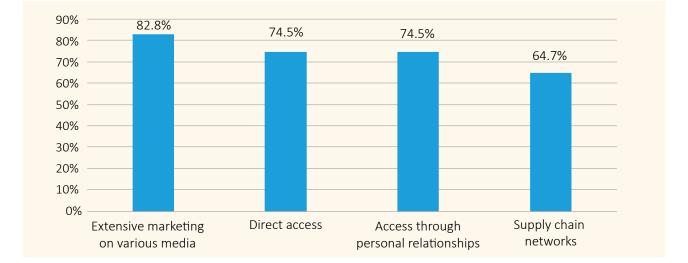


Figure 8: The sellers' methods of accessing the market (N=204) (%)

Accessing the market, maintaining and expanding sales channels are the top concerns of businesses, especially small and micro enterprises owned by women. These businesses use multiple channels to access the market, however, the main channel for product sales is still through direct contact and personal relationships. Interviews with businesses have shown that accessing the market through personal relationships often helps businesses maintain long-term, sustainable purchasing relationships. However, it is difficult for businesses to expand personal relationships, so there are not many businesses developing market access.

For the supply chain sales channel, businesses are facing more difficulties. After the COVID-19 pandemic, the supply chain was disrupted and modified, especially in the retail and tourism sectors, which were considered the most heavily impacted sectors by the pandemic.

For the retail sector, before the COVID-19 pandemic, the main method of trade was through distribution channels and distributors (agents) who often accepted a form of partial payment before delivery, which means that retailers had to bear some of the costs. Retail businesses owned by women (stores, mini supermarkets, convenience stores, etc.) often face difficulties in generating capital and most maintain business with this format. However, due to the pandemic, retail businesses that were unable to sell their products, had to close or downsize because distributors had difficulty collecting capital. Many distributors have changed their payment methods, specifically not accepting partial payment before delivery for genuine products with good quality. This has had a negative impact on retailers as they are unable to obtain good products for retail or obtain small quantities of each item, which greatly affects their business.



The constraints and barriers for WOBs/WLBs in accessing the market

Limitations on the use of information technology to understand the market and sales channels, especially for micro and small businesses (MSBs) owned by women. Business activities led or owned by women often



My business is very small, I have to do many tasks myself, and as a business owner, I face the same challenges. Personally, I have not found enough suitable time to invest in learning about information technology, even though I know that applying information technology and digital transformation is a necessary requirement for business development nowadays. [Female business owner, Ha Noi city] prioritize product quality and the reputation of the business, however, there are not many women-owned businesses investing time and finances in the use of information technology to access the market.

In addition, information on product sales on websites in many cases is not detailed, specific, or organized properly for easy understanding and access.

Micro and small businesses owned by women lack skills in presenting, displaying, and promoting their products and services to attract the attention of buyers. In-depth interviews with some female entrepreneurs show that even if they invest time and money to participate in business fairs or to introduce their products, they still face difficulties in creating attractive and compelling product presentations. The main reason is that they cannot spend much money on professional promotion work, so they mainly do it themselves based on their own understanding and experience.

<u>Challenges in expanding the sales network and business</u> <u>relationships</u>

Even when actively participating in business associations or local network organizations, women-owned businesses still face difficulties in finding new partners. This limits their opportunities to access new customers in different regions or higher-end sectors. Many female business owners are active members of business associations, but often only see familiar faces within their network. While these connections are supportive, they also need new opportunities to expand and develop further.

'Small is beautiful' mentality

Some female entrepreneurs are satisfied with the small scale of their business because they believe it fits their capabilities and conditions. They are hesitant to expand their business due to fear of risk, difficulty in managing the business, concerns about balancing work and family, and other factors. Many female entrepreneurs have this mindset, which hinders their desire to expand their business.

The perspective of sellers regarding factors that concern buyers

According to the survey results, 96.1% of businesses selected 'commitment to quality of goods and services' as the most important factor for selecting suppliers; followed by 'price' and 'supplier's capability,' both at 90.7%; and 'supplier's stability' (66.7%). In addition, buyers also pay attention to other factors such as a 'supplier's control over services (control process)' (31.9%) and social factors (27.0%) from suppliers.

Figure 9: Key factors from suppliers that buyers are concerned about (N=204) (%)





As a small business owner myself, I participate in events with other small businesses, but still hope to connect with larger businesses to understand their needs, preferences, and requirements for product and service standards. However, it is difficult to reach out to these larger businesses.

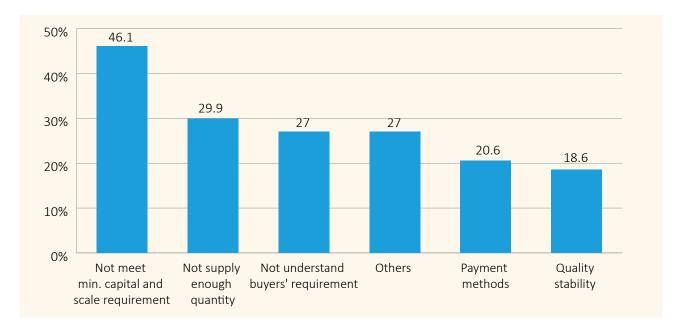
[Group discussion of female entrepreneurs, Quang Ninh province]

For tourism and hospitality businesses, the market segmentation is quite clear. In the case of high-end hotels and restaurants, supplying goods and services to this segment requires not only high-quality products but also a high level of professionalism and the capacity to control the quality of the goods and services provided by the supplier. Small and micro businesses often exhibit a lack of trust in these attributes.

The main challenges faced by SMEs as sellers are reflected in survey data, which also shows some similarities. Among 206 surveyed businesses as sellers

of goods and services, they face challenges such as 'not meeting the minimum requirements for capital and scale' (46.1%); 'not supplying enough quantity' (29.9%); 'not updating information and understanding of buyers' (27.0%); 'payment terms that do not fit with purchasing businesses' (20.6%); and 'not having sufficient stability of goods in terms of quality' (18.6%). In addition, 27.0% of businesses still face other challenges such as communication difficulties and developing their brand, planning capital and communication, high competition from domestic and imported goods, and business management issues.

Figure 10: Challenges encountered by sellers (N=204) (%)



Source: SEACO's survey results, 2022

The sellers' experience in the bidding process

According to the survey results, only 66 out of 204 (32.3%) businesses as sellers have experience in supplying goods and services through the bidding process. Of these, two thirds of the businesses participated in commercial bidding and one third participated in public procurement bidding.

The remaining 67.7% of businesses have never participated in bidding to supply goods and services. The top three reasons that these businesses cited are 'not being able to access information about bidding packages,' accounting for 69.1%; followed by 'not understanding bidding procedures' (59.7%); and 'lack of experience and capability to participate in bidding' (48.2%). Other reasons include 'the business does not meet the requirements to participate (in terms of legal entity)' (18.7%); 'failure to demonstrate adequate capacity to meet the criteria of the bidding documents' (17.3%); and 'not applicable to the type of goods/services that the business produces or supplies (for example, common goods that are not of sufficient scale, or do not meet the standards of goods/ services.)' (10.1%).

Experience with commercial procurement bidding

Procurement Method

Among the 45 surveyed businesses that participated in commercial procurement bidding, 73.3% of businesses bid through 'open bidding' and 31.1% through 'restricted bidding.'

Understanding the Procurement Process

The survey results showed that as many as 97.8% of businesses have researched the procurement process of the inviting party, with only 2.2% of businesses having not done so.

Difficulties and obstacles that related to the inviting party

The survey results showed that the difficulties and obstacles of businesses when participating in commercial procurement bidding are mostly related to the inviting party, including 'difficulty accessing information on procurement from buyers' (42.2%); 'insufficient time to prepare (submit) bidding documents/proposals' (37.8%); 'difficult contract performance conditions' (31.1%); 'bidding information and TOR not widely publicized' (28.9%); and 'inviting party sets elevated standards for capacity and experience, making it difficult' (26.7%).

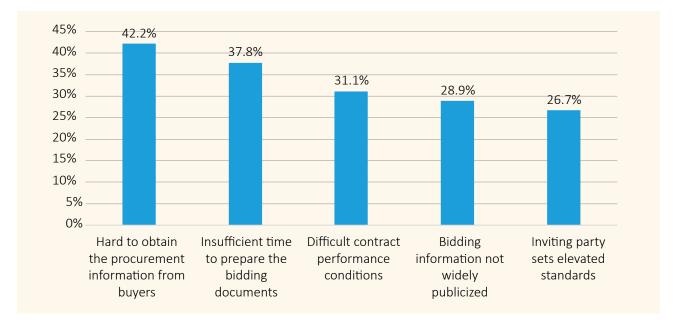


Figure 11: Difficulties and obstacles encountered by businesses related to the inviting party (N=45) (%)

Source: SEACO's survey results, 2022



In the past, most technology products were obtained through the official distribution channels of manufacturing companies, where the stores would pay a partial amount and settle the rest when the goods arrive. This allowed the stores to obtain a variety of products, making them easier to sell. Nowadays, distributors do not allow partial payments, as they are afraid of not being able to collect the full amount. Small stores like mine cannot afford to pay upfront, which means we cannot purchase many products or only buy small quantities. With fewer products, we cannot attract customers and our revenue suffers. It is difficult for small and micro businesses to operate without sufficient capital.

[Retail business, Ho Chi Minh City]

The qualitative research results also showed that other difficulties faced by SMEs in participating in commercial bidding include lack of skills to write and present bids that meet the requirements of the inviting party. In addition, some female entrepreneurs who participated in the interviews expressed concerns about the low odds of winning the bid, so they were hesitant to invest time and effort in writing bids and fulfilling the requirements of the inviting party. Some opinions also suggested that large companies may prefer and prioritize purchasing from other large companies, thus women-owned SMEs are not confident in participating in bidding.

Experience with public procurement bidding

The bidding form:

For the businesses that participated in public procurement bidding (22 businesses), 50% of them bid through the form of 'open bidding'; 45.5% through 'competitive bidding'; 31.8% through 'limited bidding'; 22.7% through 'appointed bidding'; and 22.7% through 'direct procurement'. In addition, 13.6% of businesses 'selected contractors in special cases' and 4.6% 'implemented on their own'.

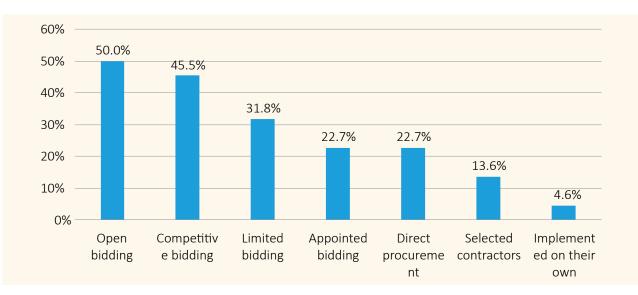


Figure 12: Forms of businesses participating in public procurement bidding(N=22) (%)

Difficulties and obstacles related to the ability to participate in public procurement

Only 12 out of 22 (54.5%) businesses that participated in public procurement bidding answered the question about difficulties and obstacles related to their ability to participate in bidding. The main difficulties include a lack of skills and knowledge to prepare bidding documents; 'a lack of feedback or difficulty in accessing officials to help understand the procurement process'; 'unclear contact points when searching for information or when needing to clarify information posted on bidding documents', and 'difficulties in submitting and posting bidding documents on the National E-Procurement System (NEPS) platform'. In addition, businesses also face difficulties related to 'limited resources to invest in the bidding process'.

Improving businesses' bidding capacity proposal

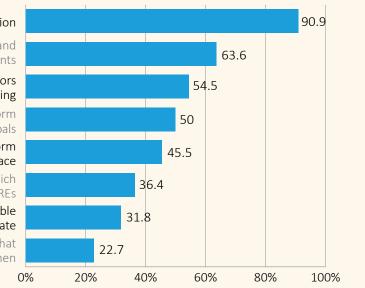
Among the businesses that participated in public procurement bidding, the majority (90.9%) expressed their desire for support in 'providing information' to improve their bidding capacity, followed by 'guidance on document preparation, procedures, and submission' (63.6%); and 'improving the scale of operations to have the capacity to supply' (54.5%).

A highlight from the responses on proposals of businesses is that buyers (large enterprises) should 'have quotas/



prioritize suppliers who perform well in gender equality policies in the workplace and in business' with 45.5% of businesses who have participated in bidding proposing this. Similarly, up to 36.4% of businesses proposed 'having quotas/ prioritizing suppliers that are womenled businesses'. This shows that small businesses and women-led businesses are very eager to approach large buyers and want to receive support during the process.

Figure 13: Improving businesses' bidding capacity proposal (N= 66) (%)



Increase access to bidding information

Guidance on bidding procedures and preparing bidding documents

Improving capacity and scale for participators in bidding

Certain quota prioritizing suppliers who perform well in sustainable development goals

Certain quota prioritizing suppliers who perform well in gender equality in working place

Certain quota prioritizing suppliers which are WOBs/ GREs

Divide procurement packages to enable small businesses to participate Certain quota prioritizing suppliers that

employ a large number of women

Understanding of beneficiaries eligible for bidding advantages in the domestic market

Survey results indicate that only 126 out of 202 (62.4%) surveyed businesses were aware of beneficiaries eligible for bidding advantages in the domestic market to provide consulting services, non-consulting services, and construction work in compliance with Vietnamese laws and policies. According to these businesses, the eligible beneficiaries are 'micro-enterprises as contractors' (73.8%), 'those with production costs of domestically-produced goods accounting for 25% or more' (63.5%), 'small businesses as contractors' (62.7%), 'contractors with a female labor force of 25% or more' (53.2%), and 'contractors with 25% or more of their labor force consisting of wounded soldiers and disabled people' (31.0%).



80% 73.8% 70% 63.5% 62.7% 60% 53.2% 50% 40% 31.0% 30% 20% 10% 0% Costs of domestically Contractors with Contractors Micro Small with a disabled Enterprises as produced ingredients Enterprises as a female labor accounting for 25% or force of 25% or labor force of contractor contractor more 25% or more more

Figure 14: Businesses' selection of beneficiaries for preferential treatment (N=126) (%)

3.4. THE NEED OF CAPACITY BUILDING FOR THE KEY STAKEHOLDERS IN THE PROMOTION OF GRP

3.4.1. Capacity building for stakeholders of the demand side

The Large, medium and small businesses participating in the market are both sellers and buyers. In the context of this study, the target group surveyed to enhance capabilities are relatively larger-scale businesses, belonging to the demand side, or buyers. The reason for focusing on this business group is because their purchasing methods and processes are more strategic and formalized, or at least clearer than those of smaller enterprises.

Qualitative research results show that leaders/owners of businesses in this group have not yet recognized the necessity of integrating gender factors into commercial procurement activities. Individuals participating in the interviews all claimed that they have never heard of or known about gender responsive procurement (GRP). When we explained GRP, businesses all supported the view that GRP is socially significant and promotes gender equality. However, business leaders need to be equipped with clearer and more specific knowledge and awareness of the necessity and benefits of GRP for both businesses and the community.

Procurement is considered a 'sensitive' field, a very important activity of businesses, thus a high commitment from business owners and/or leaders is needed to implement it. A social mobilization strategy needs to be developed to change thinking and practice within GRP.

Furthermore, to put GRP into practice, businesses need to be equipped with useful knowledge and tools to integrate gender factors into the procurement process.

For large businesses, the starting point for initiatives and promoting the implementation of GRP should be combined with the standards that businesses are currently implementing or striving to implement, such as the Sustainable Procurement Standard (ISO 20400: 2017). This standard provides guidance on integrating sustainable factors into the procurement activities of a unit, regardless of the field, public or private, or the scale and location of the unit. The standard applies to all stakeholders participating in or affected by procurement decisions and processes. The standard refers to a principle of 'full and fair opportunities,' according to which procurement decisions should not be biased or prejudiced toward any particular party. All suppliers, including local and small-scale suppliers, need to have maximum opportunity to compete fairly.

For this target group, the first essential step is to support the construction and enhancement of awareness of business leaders on the integration of gender within

The most commonly purchased product for our business is food, which we buy from various sources. Quality and price are the top factors that we are concerned about, but what's important is the supplier's ability to control the quality and quantity of the food provided. For large events where we serve hundreds of people, we are worried about whether small suppliers can provide enough high-quality goods or if they will have to purchase from unreliable sources, which will affect the quality of our service. With larger suppliers, we can



be more confident because they always have a large source of diverse and abundant goods, and they have the resources to ensure good quality control. For food service businesses, if there are any issues with the food that customers consume, it will negatively impact our reputation and have a significant impact on the company's operations.

[Owner of a wedding and banquet restaurant, Quang Ninh province]



Understanding the needs of large buying companies in terms of product/service type, quality, purchasing processes and procedures is crucial for marketing and selling products to them, but small businesses have very few opportunities to access and obtain this information. Even if they want to learn, they don't know where to start. [Female business owner, Quang Ninh province]

procurement policies or processes. Guidance and capacity-building for buyer-side businesses should focus on the following aspects:

Providing concepts of GRP, the benefits and impact of GRP on business operations and society, would address the issue of lack of awareness and recognition among business leaders/owners about the necessity of integrating gender factors into commercial procurement activities.

Considering various aspects of policies, strategies, organization, processes, and implementation methods of Gender-Responsive Procurement (GRP) to integrate gender factors into procurement activities can address the issue of gender inequality and discrimination in procurement decisions and processes. It can also help to promote gender equality and improve the socioeconomic status of women, particularly those who own or work in SMEs and other marginalized groups.

Applying GRP tools to the context, characteristics, and scale of the organization to apply suitable concepts and principles.

GRP is a process of change from awareness to purchasing behavior. Training, technical guidance, or equipping GRP tools for businesses can only contribute to changing awareness. Businesses also need technical advice from gender experts to support gender analysis, develop specific plans, and implementation roadmap. GRP is a new concept for most businesses in Viet Nam, so there is a need for advocacy and encouragement for some businesses to pioneer in this field.

3.4.2. Capacity building for stakeholders of the supply side, specifically for WOBs/WLBs

For the supply side, particularly WOBs and GREs, there are several capacity gaps, including:

Financial capacity: limited financial resources are a major obstacle for most WOBs. Female entrepreneurs often have difficulty accessing resources and markets. WOBs are usually small in scale, so obtaining loans is quite difficult because they do not have suitable collateral, or there are restrictions on the support of their husbands and families in using collateral assets. Some government funding and credit support programs for women in business are based on the business plan of the enterprise as a condition for lending, but many micro and small WOBs fail to develop a good business plan.

In-depth interviews and group discussions with female entrepreneurs indicate that women face *many disadvantages in building and developing business networks*. Social prejudices and gender norms suggest that women are unable to or should not socialize, go out for drinks, or play sports (tennis, golf...) together, in the same way as men, to build long-term relationships, while the business environment relies heavily on 'who you know'. Investing in relationships is not only about money but also time. However, time for women is often limited compared to men as they not only work but also take care of household chores and are primarily responsible for caring for their husbands, children, and other family

A common issue is that many women-owned micro and small enterprises lack knowledge and skills, including business management, human resources, finance, marketing, etc. These businesses often start as very small family-owned businesses. Women often start with producing or trading goods or services that they have a strength in. When starting up, female business owners are more concerned with meeting legal requirements for establishment and operation. As time goes by and production and business activities expand, new requirements



such as management, financial management, marketing, etc. have created gaps in the management and operation of women-owned businesses. These gaps also make it difficult for micro and small enterprises to develop clear and suitable business plans, as well as establish transparent and systematic financial management and accounting systems in order to access preferential loan sources from support programs or state support funds.

[Representative of WISE - Initiative to support women's entrepreneurship and business, Hanoi].

members. As a result, female entrepreneurs may struggle to access critical information, the network and resources needed to grow their businesses and expand their markets, hindering their potential for success.

Female entrepreneurs have fewer opportunities to participate in trade promotion activities. The results of in-depth interviews and group discussions show that the number of WOBs participating in central and provincial trade promotion programs is lower than that of male-owned businesses. The reason being that female entrepreneurs have less information due to fewer relationship and networking opportunities compared with male colleagues.

The technological capability: Knowledge and skills in applying information and communication technology (ICT) is a factor that helps WOBs access markets better in their business activities. To search for information, enhance their capability, access resources, markets, and develop business networks, small businesses need to apply ICT in their operations. Currently, female entrepreneurs and small businesses are limited in this field and need support to access technology and new customers to expand their market.

3.4.3. Capacity building for stakeholders of supporting organizations

Organizations that support the promotion of GRP include related central ministries, local departments, business support centers, business associations, and NGOs operating in the field of promoting gender equality and supporting women's business development.

The results of group discussions and in-depth interviews reveal that the challenges and barriers faced by supporting organizations in facilitating connections between the demand and supply sides in the practice of GRP stem from a limited understanding of gender equality. There is currently no specific guidance on the analysis and evaluation of gender integration in the procurement process. Consequently, they lack the necessary knowledge and skills to conduct gender analysis and assessment in procurement and bidding activities.Thus are lacking in awareness of GRP and access to updated information and resources on GRP practices.

PART 4. CONCLUSIONS AND RECOMMENDATIONS

4.1. CONCLUSIONS

The survey results show that the implementation of gender responsive procurement is still at a very early stage. Like many other countries in the region and around the world, GRP and GRE are relatively new concepts for various stakeholders. Government officials in the public sector and representatives in the private sector have revealed a lack of awareness of both GRP and GRE, and as such there is a low level of integration of these concepts into their activities.

For Government

After conducting focus group discussion and interviews with representatives from various Government agencies, several key findings have emerged.

- <u>A lack of clear criteria and a legal framework to</u> promote gender equality in public and commercial procurement processes: Without clear guidelines and legal requirements, it can be difficult to ensure that gender equality is integrated into procurement processes. This can lead to inconsistent practices across different departments and agencies, as well as the continued exclusion of WOBs and GREs.
- <u>There is a willingness to support GRP as a means</u> of promoting gender equality and women's <u>empowerment</u>: Respondents acknowledge that GRP is a new concept, but they are willing to participate in training programs to deepen their understanding of the related issues. This positive attitude towards GRP suggests that there is a growing recognition of the importance of gender equality in procurement processes.
- Promoting the practices of GRP: Gender equality is essential for sustainable development, and promoting GRP or engaging WOBs and GREs in procurement practices can contribute to achieving this goal. By supporting WOBs and GREs, the Government can empower women entrepreneurs, assist WOBs in improving their economic participation, and promoting their inclusion in the business sector. Moreover, GRP practices can help the Government ensure that public spending contributes to promoting gender equality and sustainable development.



Promoting and enforcing WOBs and GREs' access market practices: Access to markets is a crucial factor in the success of WOBs and GREs, especially the Women-led Micro, Small and Medium-sized Enterprises (WMSMEs), and promoting market access practices is critical for their growth. By providing support and creating an enabling environment for WMSMEs to access markets, the Government can help to create a level playing field for these businesses to compete and grow.

For businesses on the demand side

Most of them have not intergrated gender factors in their procurement system and practices. There are hardly any businesses that systematically record, list, or monitor the profiles of suppliers based on factors such as type, gender, and characteristics of the supplying businesses for goods or services. Buying businesses also believe that purchasing goods and services primarily depend on factors such as quality, price, and other important provisos such as quality supervision support. They rarely consider purchasing goods and services from WOBs and GREs as a measure to promote gender equality and support the development of women entrepreneurs and gender equality. However, a favorable point found from the survey results is that when investigating the opinions of buying businesses on prioritizing purchases from womenowned, small, and micro businesses, the proportion of supporting businesses is very high. This implies that a large proportion of businesses support the consideration of gender aspects in procurement decisions and support the development of criteria for prioritizing the purchase of goods and services from WOBs.

For businesses on the supply side

Small and micro businesses owned by women encounter numerous challenges when it comes to accessing and expanding their market. Personal relationship networks and direct marketing still remain the primary market access channels for women-owned businesses. However, accessing distribution channels through the supply chain network presents additional obstacles, particularly in the retail and tourism sectors. Disruptions or changes in the supply chain network have resulted in unyielding consequences, causing the closure or downsizing of many retail stores and agencies. This has led to financial hardships for distributors and manufacturers, that have been unable to recover their capital, thus necessitating changes in the system of distributing goods and products in the retail chain. Consequently, many retailers have been unable to manage their inventory effectively. In the tourism sector, experienced the most pronounced impact of the COVID-19 pandemic, Viet Nam and many countries around the world implemented measures such as lockdowns, medical isolation, and social distancing to limit the contagion, which disrupted the service supply chain of this industry, affecting services ranging from transportation to restaurants, hotels, and associated services.

The main difficulties that businesses in the supply side encounter include:

- Inability to meet minimum requirements for product supply: Small and micro businesses, especially those owned by women, often have very limited capital and therefore struggle to produce large product quantity to meet demand.
- Products and services offered by small and micro businesses are often simple and do not meet the requirements and preferences of larger buyers, big corporations.
- Payment terms are often unsuitable for small businesses.
- A lack of product stability and quality.

These difficulties make it challenging for small and micro businesses owned by women to access larger supply chains and reach better segments of the market.

WOBs also face many limitations in using information technology to research the market and sales channels, especially for micro and small enterprises. The application of information technology is not yet considered a priority for women entrepreneurs in the business process. Therefore, nurturing technological knowledge is essential amongst female entrepreneurs. ICT is a factor that helps to narrow the gap between WOBs and male-owned businesses in business operations, enhancing their capacity, accessing resources, markets, and developing business networks.

In the business process, women also encounter difficulties in expanding their business network. Besides managing business, women entrepreneurs remain the primary caregivers for their families. Spending time with the family is still one of the priorities of women entrepreneurs, which makes many of them hesitant to expand production and invest time in finding markets. The role and responsibility of women is more often associated with a duty of care – the biological and physical reproduction of the family. This reduces the amount of time women entrepreneurs have for business, and thus affects the development of WOBs.

For national supporting organizations

Particularly local business support centers, are facing a lack of access to updated information and resources on gender-responsive procurement practices. This can hinder their ability to effectively promote and implement GRP among local businesses, ultimately limiting the potential for gender equality and social responsibility in the procurement process.

Additionally, national supporting organizations may struggle with limited capacity to provide technical assistance and training to enterprises on GRP and related topics. This can result in a lack of understanding and awareness among enterprises, which may contribute to the perpetuation of gender-based discrimination and exclusion in procurement practices.

Furthermore, budget constraints and a limited labour force can hinder the ability of national supporting organizations to carry out their enterprise support activities effectively. This may include challenges in providing tailored support to diverse types of enterprises and sectors, as well as difficulties in developing and implementing sustainable support programs. Without adequate resources and support, national supporting organizations may struggle to fully realize their potential in promoting gender equality and sustainable development through enterprise support activities.

For international supporting organizations

Despite the increasing focus on gender equality in international development efforts, the integration of GRP into these efforts remains limited for many supporting organizations. Many international organizations are not fully leveraging the potential benefits of this approach:

- <u>Lack of financial and technical support to promote</u> <u>GRP practices:</u> Without adequate resources, organizations may struggle to develop and implement effective GRP guidelines and procedures. This can result in procurement practices that are not inclusive, equitable, or socially responsible.
- Lack of mainstreaming GRP into enterprise support programs: Without incorporating GRP and competitiveness enhancement for WMSMEs into these programs, the procurement process may not be inclusive, non-discriminatory, and supportive of gender equality, leading to limited opportunities for WOBs and GREs.

4.2. RECOMMENDATIONS FOR GOVERNMENT

Legislative actions for promoting GRP

<u>Review documents and regulations</u> on public procurement and commercial procurement to build a suitable legal framework and roadmap to integrate factors or criteria that promote gender equality within the procurement process. Specifically:

- The current Public Procurement Law needs a gender impact assessment and a review of the social impact of procurement. Thus, the recommendation is to add 'preferential' target groups to the bidding process including women owned MSMEs and businesses practicing gender equality. Certain aspects of relevant content in the procurement process needs to be considered and adjusted accordingly in relation to Circular No. 08/2022/TT-BKHDT dated May 31, 2022, of the MPI detailing the provision and posting of information on bidding and contractor selection on the national bidding network system.
- Currently, the MPI has been promoting the development and promulgation of a comprehensive and effective policy framework and guidelines on

'green procurement', in which priority is given to its implementation in the public sector. A similar process of developing this policy and criteria should be integrated with an analysis and inclusion of measures related to gender equality and social impact as part of the ecosystem of 'green procurement' in the public sector MPI is implementing. Develop guidelines, which specify standards related to promoting gender equality and gender responsible procurement in the Government Standard on sustainable procurement.

 Amending the Commercial Law in the future will require a gender impact assessment which considers differences that may occur between men and women. Additionally, there is a need to consider adding provisions that prioritize WOBs, GREs, women-led enterprises and female entrepreneurs in commercial activities as a temporary measure to promote gender equality.

Raise awareness of GRP and establish clear criteria for **GRP** practices is essential in promoting gender equality in procurement. It is important to educate stakeholders, including Government agencies, supporting organizations, public and private enterprises, about GRP, its benefits and the negative impact of gender biases in procurement. The educational content may include: gender and economy, gender and development, gender in budget planning as well as a gender analysis of policy. Establishing clear and measurable criteria for determining GRP practices which will enable procurement officers and evaluators to make objective and informed decisions in the procurement process. This will help to ensure that women entrepreneurs and WOBs have equal opportunities to access and benefit from government contracts and other commercial procurement opportunities.

Conduct research on the impact of GRP, provide evidencebased analysis, and disseminate research findings to responsible agencies: It is essential to conduct research on the impact of GRP and provide an evidence-based analysis to responsible agencies. Such research can help inform policy decisions and shape the development of effective strategies to enhance gender equality in procurement practices. By disseminating research findings to responsible agencies, this can facilitate the implementation of GRP policies and encourage the adoption of best practice. Therefore, it is crucial to invest in research on the impact of GRP and ensure that research findings are widely available and accessible to all stakeholders. This can ultimately contribute to the development of a robust and effective GRP framework that supports the growth and empowerment of WOBs and GREs.

Develop a comprehensive, government-wide strategy for GRP implementation: The strategy should involve collaboration between different government agencies and stakeholders, including WOBs, to ensure effective implementation. The government should also allocate adequate resources, including financial and human resources, for the successful implementation of the GRP strategy. Additionally, the strategy should be regularly reviewed and updated to ensure it remains relevant and effective in promoting gender equality in procurement.

Prioritizing WOBs and GREs

Investigate the barriers that prevent WOBs and GREs from participating in government procurement: Through this investigation, the government can identify the challenges and constraints that hinder the participation of these businesses in government procurement and respond appropriately to address them. Some of the common barriers include limited access to finance, lack of information and skills, discrimination and bias, and inadequate networking opportunities. By addressing these barriers, the government can promote equal participation in procurement and enhance the competitiveness of WOBs and GREs.

<u>Mainstream the GRP to women-owned MSMEs'</u> <u>development support programs</u>: By mainstreaming GRP into these programs, WOBs and GREs can improve their understanding of gender equality and their ability to access government procurement opportunities.

<u>Provide resources and support to WOBs and GREs to</u> <u>enable their access to the procurement system</u>: The Government should set aside a quota of public contracts for WOBs and GREs, provide training and technical assistance to help them meet procurement requirements, and create procurement policies that are more accessible to smaller businesses. Moreover, governments can offer financial support to WOBs and GREs by providing loans or grants to help them finance their businesses and participate in government procurement. By doing so, governments can create a more inclusive procurement system and promote women's economic empowerment and gender equality.

<u>Monitor progress towards the inclusion of WOBs</u> and GREs in government procurement and ensure accountability and transparency by reporting results: To ensure that WOBs and GREs are included in government procurement, it is essential to monitor progress towards this objective by establishing a monitoring system to track the participation of WOBs and GREs in government procurement and to evaluate the effectiveness of their inclusion. Reporting results in a transparent manner and holding agencies accountable for progress will help to ensure that WOBs and GREs continue to be included in government procurement. This will ultimately lead to a more inclusive and equitable procurement system that benefits all members of society.

<u>Priority is given to WOBs and GREs in business support</u> <u>programs:</u> This includes providing access to credit, information and communication technologies (ICT), and other resources necessary for their success. In addition to creating a more equitable business environment, supporting WOBs and GREs also has a positive impact on overall economic growth and development.

Enforce the current legislation and programmes that facilitate WOBs and GREs market access

Promoting female entrepreneurship is essential for achieving gender equality and women's economic empowerment. The government can take various measures to promote female entrepreneurship, such as providing access to finance, training and capacity building, networking opportunities, and mentorship programs. The government could also create a conducive environment for women entrepreneurs by establishing policies that address the practical needs and challenges faced by women entrepreneurs, such as childcare support and flexible work arrangements.

- Strengthen the capacity of national and provincial agencies in disseminating information/guidance and encouraging WOBs and GREs to access and benefit from the current market access policies is crucial for promoting gender equality in the economy. This can be achieved by providing training and resources to these agencies to effectively communicate market access policies and procedures to WOBs and GREs. Furthermore, these agencies can collaborate with business associations and chambers of commerce to develop targeted programs and initiatives that provide support and guidance to WOBs and GREs seeking to enter new markets. By enhancing the capacity of national and provincial agencies, more WOBs and GREs can take advantage of the current market access policies and contribute to the economic growth and development of the country.
- <u>Enhance understanding of GRP to facilitate market</u> <u>access for female entrepreneurs, WOBs and GREs</u>: it is important to enhance their understanding of GRP and its potential to level the playing field in the procurement process. Government agencies and procurement officials should provide clear information and guidance on GRP, including how it works, the benefits of GRP for WOBs and GREs, and how to participate in the procurement process. Additionally, it is important to directly engage with

female entrepreneurs, WOBs and GREs, providing them with training and resources to help them navigate the procurement process, and increase their chances of winning government contracts. By enhancing an understanding of GRP, more WOBs and GREs can compete effectively in the market, which can lead to greater economic growth and gender equality.

• <u>Establish a monitoring and evaluation system</u>, including a database of WOBs and GREs accessing support services, especially market access support, which is crucial to ensuring the effectiveness of market access policies. This system will help identify gaps in the support services provided to SMEs, as well as determine whether the policies meet the needs of WOBs and GREs. The database can be used to track progress and identify any obstacles they face in accessing market opportunities. By collecting and analyzing data on the performance of WOBs and GREs, policymakers can adjust their strategies and policies to better support their development and success.

Support WOBs and GREs market access and achievements.

<u>Provide market information updates for WOBs and</u> <u>GREs categorized by industry (e.g., retail, tourism)</u> <u>and consumer trends in goods and services:</u> to help WMSMEs stay competitive and adapt to changes in the market. This information can enable WMSMEs to make informed decisions on product development, marketing, and pricing strategies. It can also help them identify opportunities for growth and expansion, making it easier for WOBs and GREs to succeed in the market.

<u>Support enhancing the capacity of WOBs and GREs to</u> <u>comply with regulations on product standards</u>: The government can provide training programs, workshops, and other resources to help WOBs and GREs understand the regulatory framework and how to comply with product standards. These programs can also be designed to assist WMSMEs in obtaining relevant certifications and licenses required for their products, thereby improving their market access opportunities.

Develop and implement national programs to improve the operations/ competitiveness of WOBs and GREs: These programs may include support for the development of new products, marketing strategies, business planning, and technical skills training. The programs can also focus on improving access to finance, market intelligence, and mentoring.

Establish and execute communication programs to raise awareness among WOBs and GREs about inclusive business practices that align with gender equality and other regulations on social responsibility: To help promote a culture of responsible and gender-inclusive entrepreneurship. Such programs should provide training on social responsibility and gender equality, emphasize the benefits of gender equality, and provide guidance on how to implement these practices in WOBs and GREs.

4.3. RECOMMENDATIONS FOR DEMAND-SIDE BUSINESSES

In this research context, demand-side businesses are understood as medium and large-scale enterprises with the implication that their procurement has a significant impact on the supply-side businesses. The recommendations to promote procurement practices to be gender-responsive include:

- Promote diversity, equality and inclusion in the organization: Organizations should strive to create a workplace that is free from discrimination and promotes equal opportunities for all employees, regardless of their gender, ethnicity, age, or other personal characteristics. This can be achieved by implementing policies and practices that promote diversity, such as ensuring diverse representation in recruitment and hiring processes, providing diversity training to all employees, and establishing an inclusive work environment that values and respects diversity.
- <u>Raise awareness of GRP among the organization</u>: This can be achieved through training and capacity building programs for staff, which will increase their understanding of gender issues and the importance of GRP in the procurement process. Organizational leadership can also prioritize the inclusion of GRP in their policies, procedures, and practices.
- <u>Establish gender equality obligations for goods and</u> <u>service suppliers.</u> These obligations may include requiring suppliers to provide data on the gender composition of the workforce, promoting genderresponsive hiring practices, and ensuring that their products and services do not perpetuate gender stereotypes. By establishing such obligations, organizations can encourage their suppliers to prioritize gender equality and provide a more diverse range of options for procurement.

- <u>Create a vendor database with gender disaggregated</u> <u>data, establish key performance indicators (KPIs),</u> <u>track and report on Gender-Responsive Procurement</u> <u>(GRP) implementation:</u> This database should include information on the gender of suppliers and their workforce, as well as their capacity to implement GRP policies.
- <u>Publicize gender indicators and divulge the diversity</u> <u>and inclusion policies</u>: To promote transparency and accountability in gender equality and diversity initiatives.
- <u>Disseminate GRP policies to other major partners</u> to promote the widespread adoption of GRP: By sharing the policies and best practices with other organizations, they can also integrate GRP principles into their procurement practices. Additionally, collaborating with other partners can provide valuable insights and expertise, leading to a more effective implementation and impact of GRP. Through partnerships and collaborations, organizations can work towards a shared goal of promoting gender equality and women's empowerment, ultimately contributing to a more inclusive and sustainable economy.

4.4. RECOMMENDATIONS FOR SUPPLY-SIDE BUSINESSES, SPECIFICALLY WMSMES AMONG WOBS AND GRES

Proactively engage with government and large enterprises' GRP policies to expand business development opportunities: By being aware of these policies, WMSMEs can position themselves to comply with the GRP policies and potentially gain more business opportunities.

Update knowledge on bidding procedures and GRP: To understand how to meet the specific GRP requirements and expectations of the buyers.

Participate in GRP dissemination or bidding training programs: to update knowledge and best practice on GRP and improve their bidding capacity.

Proactively research and participate in training activities: To practice responsible and socially impactful business operations which is considered as one of the preparatory steps to access large corporate buyers as customers.

4.5. RECOMMENDATIONS FOR SUPPORTING ORGANIZATIONS

Raise awareness of GRP, WOBs and GREs is crucial for enterprises to understand the importance of gender equality and inclusion in their procurement practices. This can be achieved through various means, including workshops, training sessions, and informational materials. By increasing awareness and providing clear guidelines, enterprises can better integrate GRP practices into their procurement processes, ultimately leading to more equitable and inclusive outcomes.

Financial & technical support to develop guidelines for GRP practices: These guidelines can outline best practices, procedures, and standards for GRP, as well as provide a framework for monitoring and evaluation. Developing these guidelines can involve engaging with experts in gender and procurement, conducting research on successful GRP implementations in similar industries, and consulting with stakeholders such as suppliers, employees, and customers. With clear and comprehensive guidelines in place, organizations can effectively integrate GRP into their procurement processes and contribute to promoting gender equality and social responsibility.

Mainstream GRP into WOBs and GREs, specially WMSMEs support programs: This will ensure that the procurement process is inclusive, non-discriminatory, and supportive of gender equality. Additionally, GRP can help WOBs and GREs to improve their own procurement practices, which can positively impact upon their business performance and contribute to sustainable development.

REFERENCES

National Assembly of the Socialist Republic of Viet Nam, 2005. Law on Commerce 2005 No. 36/2005/QH11.

National Assembly of the Socialist Republic of Viet Nam, 2006. Law on Gender Equality 2006 No. 73/2006/QH11.

National Assembly of the Socialist Republic of Viet Nam, 2013. Law on Public Procurement 2013 No. 43/2013/QH13.

UN Women, 2022. Building a path to gender equality in the business sector through the Women's Empowerment Principles (WEPs): Policy recommendations and actions for Viet Nam.

UN Women & ILO, 2021. Overview of gender equality in Viet Nam 2021.

UN, 2016. Summary report on the status of gender in Viet Nam in 2016. Hanoi: UN.

UNDP and UN Women. 6/2020. Full report: Assessing the socioeconomic impact of the COVID-19 pandemic on vulnerable households and businesses in Viet Nam: A gender-sensitive assessment. Hanoi: UN.

UNDP, 2022. Global Human Development Report (HDR) 2021/2022.

VCCI & Aus4Reform, 2022. Resilient to the waves: Results of an investigation into women-owned businesses under the impact of the COVID-19 pandemic

UN, 2021. Country Gender Equality Profile Viet Nam.

Website:

https://www.netsuite.com/portal/resource/articles/erp/supplier-diversity.shtml

McKinsey & Co <u>Advancing gender equality in Viet Nam: A crucial balancing act</u> <u>https://www.mckinsey.com/vn/our-insights/advancing-gender-equality-in-vietnam-a-crucial-balancing-act</u>, November 19, 2019





All public information material will be posted through UN Women Asia pacific social media and website.



All communication will carry the hashtags: #WEE #WERISETogether and after we launch the wider Women's Economic Empowerment campaign #BuyEqual (TBC), we will complement the posts with the same hashtag.