



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Manila

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DEPARTMENT MEMORANDUM)

CIRCULAR NO. 21)
Series of 2023)

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**FOR/TO : UNDERSECRETARIES
ASSISTANT SECRETARIES
REGIONAL DIRECTORS
BUREAU DIRECTORS
SERVICE DIRECTORS
HEADS OF UPMOs
DISTRICT ENGINEERS
HEADS OF ATTACHED AGENCIES
OTHERS CONCERNED
This Department**

For information and guidance, attached is a copy of **GPPB Resolution No. 01-2023** dated March 21, 2023, with the subject: **"ADOPTING STRATEGIES TOWARDS GENDER-RESPONSIVE PROCUREMENT POLICIES."**

A copy of the said Resolution may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

MARICHU A. PALAFOX, CESO II
Assistant Secretary for Support Services

Encl: GPPB Resolution No. 01-2023 dated March 21, 2023

cc: Office of the Secretary

10.1.4 JVL/CDP/VGV/MSV

ADOPTING STRATEGIES TOWARDS GENDER-RESPONSIVE PROCUREMENT POLICIES

WHEREAS, Republic Act (RA) No. 9184, otherwise known as the “Government Procurement Reform Act,” took effect on 26 January 2003, while its 2016 revised Implementing Rules and Regulations (IRR) took effect on 28 October 2016;

WHEREAS, Section 63 of RA No. 9184 authorizes the Government Procurement Policy Board (GPPB) to formulate public procurement policies, rules and regulations, and amend its IRR, whenever necessary;

WHEREAS, the GPPB has supported Sustainable Public Procurement policy with the adoption of the Green Public Procurement Roadmap through Resolution No. 25-2017 dated 30 May 2017. Sustainable Procurement has been defined as a process whereby organizations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimizing damage to the environment.¹ Thus, beyond the environmental impact, sustainable procurement incorporates social considerations which may include: gender and ethnic equity; poverty eradication; and respect for core labor standards;

WHEREAS, a significant share of a country’s Gross Domestic Product (GDP) is attributed to expenditures by the government. In the Philippines, posted bid opportunities in 2020 accounts for 13% of our GDP; and 10.81% in 2021.² This figure will further increase if we include all other expenditures by the government such as those under Public-Private Partnership agreements. Thus, public procurement has been utilized across the world as an effective tool in promoting and enhancing Sustainable Development Goal (SDG) 12: **Ensure sustainable consumption and production patterns**, particularly SDG target 12.7: Promote public procurement practices that are sustainable, in accordance with national policies and priorities and SDG indicator 12.7.1: Number of countries implementing Sustainable Public Procurement policies and action plans;

WHEREAS, Governments can therefore leverage its significant market reach to influence and shape how manufacturers and producers create and process products and services offered to the public. This can in turn shift public demand and increase consumer awareness to more sustainably produced goods and services. Inspired by the approach taken in the Philippine Green Public Procurement roadmap where the government leads by example, the government, through the GPPB has taken the initiative to upscale our procurement policies toward this end by looking into gender-responsive procurement policies;

WHEREAS, the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) has endorsed gender-responsive procurement as a critical part of the solution for gender equality and women’s empowerment. It has defined gender-responsive procurement as the selection of services, goods and civil works that considers their impact on gender equality and women’s empowerment. By parity of reasoning, the Philippines can similarly use public procurement to push for greater socio-economic change for women through the adoption of diverse and inclusive public procurement policies;

¹ As defined in the Sustainable procurement, Delivering local economic, social and environmental priorities: A toolkit for commissioners, procurement practitioners and contract managers, published by the Local Government Association of the United Kingdom on 04 November 2021.

² Based on Philippine Government Electronic Procurement System (PhilGEPS) data.

WHEREAS, a women-owned business has been defined by UN Women as a legal entity in any field that is more than fifty-one percent (51%) owned, managed and controlled by one or more women. Having a definition will enable procurers to properly collect data and monitor procurement practices and trends involving women-owned businesses;

WHEREAS, in the Philippines, the Micro, Small and Medium Enterprises Development Council (MSMEDC),³ the primary agency responsible for the promotion, growth and development of small and medium enterprises in the country by way of facilitating and closely coordinating national efforts to promote the viability and growth of small and medium enterprises,⁴ has adopted Resolution No. 1, s. 2022 "Solidifying Support to Women Entrepreneurship by Adopting the International Finance Corporation Definition of Women-owned or led Businesses." The said Resolution defines women-owned businesses as businesses where at least fifty-one percent (51%) of the company is owned by a woman or women. The Resolution further defines Women-led businesses as those where at least twenty percent (20%) is owned by a woman or women, and at least one (1) woman acts as Chief Executive Officer, or Chief Operating Officer, or President, or Vice President and at least thirty (30%) of the board of directors, where a board exists, is composed of women;

WHEREAS, the GPPB has recognized that gender equality and the empowerment of women are indispensable to achieving the other sustainable development goals, the most important of which are eliminating poverty and hunger and ensuring good health and education for all people. In the World Economic Forum reports on global competitiveness and global gender gap, the direct correlation between gender equality and competitiveness has been recognized. With this in mind, governments are well positioned to push the needle towards gender parity and women empowerment through more diverse and inclusive public procurement policies;

WHEREAS, in FY 2021, the GPPB-Technical Support Office (TSO) has implemented an outreach training program for Micro, Small and Medium Enterprises and identified women-owned businesses participating therein. In particular, thirty-two percent (32%) of the participants come from businesses founded by women; while fifty percent (50%) of the participants come from businesses managed by women. The GPPB-TSO has likewise incorporated basic gender profiling in the revised procurement reports. Prior to its implementation, the GPPB-TSO has analyzed the FY 2021 Agency Procurement Compliance and Performance Indicator results submitted by Procuring Entities (PEs) and noted that of the five hundred twelve (512) combined submissions of national government agencies (NGAs) and government-owned or controlled corporations (GOCCs), there are one thousand four hundred and sixty six (1466) female Bids and Awards Committee (BAC) members; while of the forty-four (44) local government unit (LGU) submissions, one hundred four (104) are female BAC members. These roughly translate to 2.86 female BAC members for each PE in the NGAs and GOCCs; while 2.36 female BAC members for each PE in the LGUs;

WHEREAS, given the recently adopted definition of women-owned or women-led business, no baseline data is available in any regulatory offices. Nonetheless, there is data on the number of women who have registered a business name with the Department of Trade and Industry (DTI) which is 58.8% or 2.5 million out of 4.2 million registered businesses;⁵

³ As provided under Republic Act (RA) No. 6977, as amended, the MSMEDC shall be composed of the: a) Secretary of Trade and Industry; b) Secretary of Agriculture; c) Secretary of the Interior and Local Government; d) Chairperson of the Small Business Corporation; e) Three (3) representatives from the MSME sector to represent Luzon, Visayas and Mindanao; f) One (1) representative from the women sector designated by the Philippine Commission on Women; and g) One (1) representative from the youth sector designated by the National Youth Commission.

⁴ RA No. 6977, as amended.

⁵ Based on the data provided by the DTI as of 21 March 2023.

WHEREAS, in consideration of the foregoing, the GPPB, upon recommendation of the GPPB-TSO, has agreed to support an enabling environment that would stimulate equal opportunities for women-owned and women-led businesses to have meaningful participation in public procurement and government contracting. In particular, the following strategies, to the extent allowed by the provisions of RA No. 9184, are hereby adopted:

- a. Support the definition of women-owned and women-led businesses under MSMEDC Resolution No. 1, s. 2022 in the implementation of gender-responsive procurement policies. This will enable the collection of data involving women-owned and women-led businesses in the Philippines and provide better analysis of the existing procurement ecosystem;
- b. Review existing requirements and procedures in the conduct of market study or market scoping and identify ways for PEs to ensure meaningful competition across all suppliers, including women-owned or women-led businesses;
- c. Coordinate with regulatory offices involved in the registration of businesses and issuance of licenses for eligibility and post-qualification requirements for them to consider ways to streamline their processes to enhance the capacity and competitiveness of suppliers, particularly women-owned and women-led businesses. Often the challenge faced by suppliers is access to information and opaqueness of requirements for registration and licensing which has narrowed opportunities for them to effectively participate in public procurement;
- d. Review, in coordination with the Commission on Audit, existing supplier payment rules in order to standardize implementation payment requirements across all PEs and streamline the period of payment in the shortest possible time. This will promote supplier engagement and financial liquidity which will encourage greater participation in public procurement, particularly for women-owned and women-led businesses;
- e. Establish an inclusive capacity development program for suppliers, including mentoring for women-owned and women-led businesses to ensure and enhance supplier diversity in public procurement. This will ensure wider and inclusive participation of suppliers in public procurement thereby enhancing competition and value for money;
- f. Support the establishment of an inclusive database or directory of suppliers based upon the source data to be provided by the relevant government agencies such as the Securities and Exchange Commission (SEC) and the DTI in order to identify the extent of participation of women-owned and women-led businesses in public procurement. Relatedly, consider including as part of suppliers' information diversity and inclusion goals (for example, % of women employees) and coordinate with regulatory offices such as the SEC and the DTI to consider the collection of data or reporting relative to supplier diversity and inclusion performance measures. Indeed, having good quantity and quality data that reflects the gender dimension will ensure the proper articulation gender-equality in public procurement policies;
- g. Enhance greater access to markets of women-owned and women-led businesses through e-commerce and e-procurement systems. As we have seen during the pandemic, technological innovations have been a transformative lever in the rebuilding efforts across the globe; and
- h. Develop a communication plan to ensure the widest dissemination of these strategies to both PEs and suppliers, and all other stakeholders. This will ensure the active participation and meaningful engagement of stakeholders in driving gender responsive procurement policies.

NOW, THEREFORE, for and in consideration of the foregoing, **WE**, the Members of the **GOVERNMENT PROCUREMENT POLICY BOARD**, by virtue of the powers vested on **US** by law and other executive issuances, hereby **RESOLVE** to confirm, adopt, and approve, as **WE** hereby

confirm, adopt, and approve the abovementioned strategies towards gender-responsive procurement policies.

This Resolution shall take effect immediately.

APPROVED this 21st day of March 2023 at Pasig City, Philippines.

Sgd.

GPPB, Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

Sgd.

Alternate to the Chairperson
**DEPARTMENT OF BUDGET AND
MANAGEMENT**

**NATIONAL ECONOMIC AND
DEVELOPMENT AUTHORITY**

DEPARTMENT OF EDUCATION

Sgd.

DEPARTMENT OF ENERGY

DEPARTMENT OF FINANCE

Sgd.

DEPARTMENT OF HEALTH

Sgd.

**DEPARTMENT OF INTERIOR AND LOCAL
GOVERNMENT**

Sgd.

DEPARTMENT OF NATIONAL DEFENSE

**DEPARTMENT OF PUBLIC WORKS AND
HIGHWAYS**

Sgd.

**DEPARTMENT OF SCIENCE AND
TECHNOLOGY**

DEPARTMENT OF TRADE AND INDUSTRY

Sgd.

DEPARTMENT OF TRANSPORTATION

Sgd.

**DEPARTMENT OF INFORMATION AND
COMMUNICATIONS TECHNOLOGY**

Sgd.

PHILIPPINE SPACE AGENCY

PRIVATE SECTOR REPRESENTATIVE