

Inclusive Procurement

Inclusive procurement strengthens equity across supply chains by embedding inclusion, accessibility, and representation into purchasing decisions. It helps organizations reduce risk, expand opportunities, and align suppliers with organizational values. Practical prompts support due diligence, supplier selection, and ethical sourcing.







The approach aligns with inclusive procurement that engages with small and medium enterprises to maximize economic, social, and environmental benefits in an equitable manner. In practice, organizations can also promote inclusion while engaging with suppliers, which prioritizes accessibility and employment equity.

Adapted from [European Commission \(2021\), Buying Social: A Guide to Taking Account of Social Considerations in Public Procurement](#); [United Nations Procurement \(2023\), Advancing Inclusion with Disability-Inclusive Suppliers](#).

Areas that are covered in this section

- Supplier inclusion criteria
- Diversified Vendor Pool
- Supplier due diligence
- Opportunities for disability-led or women-led enterprises

Practical Considerations

Group		Key Considerations
	Women & Gender	Prioritize women-owned suppliers
	LGBTQIA+	Review suppliers' anti-discrimination commitments
	Disability	Source accessible venues/platforms/materials
	Neuro divergence	Select intuitive, simple tools
	Ethnic minorities	Engage local or community providers
	Rural or Remote	Procure from regional businesses when possible

Supplier Inclusion Criteria

These are the standards used to select suitable suppliers based on efforts and commitment to diversity, equity, and inclusion. It also helps to consider inclusive practices such as accessibility, fair employment, and representation. These criteria help organizations to create more equitable and resilient suppliers.

- Demonstrates diverse sense of ownership or leadership (e.g., women-led, minority-owned, disability-inclusive businesses)
- Perform non-discrimination and inclusion policies in the organization
- Support through accessible products, services, or environments
- Shows commitment to fair employment and equal opportunity
- Holds relevant certifications or verified status (where applicable)
- Engages in ethical supply sourcing and responsible practices
- Ensures supplier information in a transparent way
- Supports local, small, or underserved businesses

Diversified Vendor Pool

A diversified vendor pool refers to the inclusion of suppliers from diverse backgrounds, sizes, locations, and ownership types to ensure equitable participation in procurement. It helps organizations encourage new ideas, stay competitive, and strengthen their supply chain by focusing on diversity, fairness, and inclusion in their purchasing practices. Building a diverse vendor base also contributes to broader economic development by expanding opportunities for underrepresented businesses.

Six Key Steps to Build a Diversified Vendor Pool



1. Assess Current Suppliers

Conduct a review of current vendors to understand the diversity profile, such as ownership, size, and geographic representation. It is also important to assess whether those vendors have shared goals, culture, and policies in order to understand the alignment. The international certification or accreditation to demonstrate commitment to diversity can also be checked. The most effective way to access this information is using scorecards or dashboards to track and compare these criteria and identify any gaps or opportunities.



2. Define Diversity Goals

Then, set clear and actionable goals for vendor diversity, including benefits and challenges. The measurement of progress, performance, expectation, and requirements while communicating strategically and enforcing diversity practices.



3. Expand Sourcing Channels

Actively seek new suppliers through diverse channels such as specialized directories, local networks, and partnerships with inclusion-focused organizations. Then, attending trade shows, events, and networking events can also help to cater to different groups and sectors as an active source.



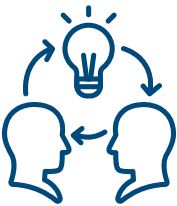
4. Ensure Fair Evaluation and Selection

Once you have a list of potential vendors, implement standard criteria and goals to select them while avoiding bias or stereotypes. Standardized procurement processes such as Request for Proposal (RFP), Request for Information (RFI), and scoring systems can be used to minimize and compare vendor rankings while involving multiple stakeholders in the selection process.



5. Build and Maintain Relationships

For the final step, develop long-term partnerships with diverse suppliers by providing feedback, support, and opportunities for growth. Involving them in planning can also enable the improvement of the vendor diversity program through innovation and improvement initiatives.



6. Share Organizational Understanding

For inclusive procurement to be institutionalized in an organization, awareness has to be created in all the departments including HR, procurement or supply chain, compliance and CSR (Corporate Social Responsibility). In the absence of a shared organizational wide understanding and coordination between departments, inclusive procurement risks remaining an aspiration.

Adapted from LinkedIn Community Contributions, [You're in charge of vendor management. How can you ensure a diverse pool of vendors?](#)

Supplier Due Diligence

Based on the Commonwealth Procurement Framework (Department of Finance, 2023), this section adapts due diligence principles for organizational use, with a focus on practical application and inclusive procurement.

Supplier due diligence is the process of accessing potential and existing suppliers to understand the capabilities, ethics, and alignment with values within an organization. It involves verifying claims and identifying risks, as well as ensuring procurement decisions are aligned with operational goals and commitments such as inclusion, transparency, and accountability.

Organizations benefit from effective due diligence in the following ways:

- Ensure suppliers can deliver quality goods and services
- Reduce legal, financial, and reputational risks
- Promote ethical and responsible business practices
- Strengthen transparency and accountability in procurement
- Align purchasing decisions with inclusion and social impact goals

Rather than being a one-time check, due diligence should be applied throughout the procurement lifecycle, from planning and selection to contract management and delivery.

Practical Areas

Capability and Performance	<ul style="list-style-type: none"> • Can the supplier realistically deliver what they promise? • Do they have relevant experience and a track record?
Financial and Operational Stability	<ul style="list-style-type: none"> • Are they financially viable? • Do they have the systems and staff to deliver consistently?
Legal and Regulatory Compliance	<ul style="list-style-type: none"> • Are they properly registered and licensed? • Do they comply with relevant laws and standards?

<p>Ethical and Labour Practices</p>	<ul style="list-style-type: none"> • Do they avoid harmful practices (e.g. exploitation, unsafe work)? • Do they demonstrate fair labor and inclusive employment practices?
<p>Inclusion and Equity Considerations</p>	<ul style="list-style-type: none"> • Are they owned or led by underrepresented groups (e.g. SMEs, women-led, Indigenous businesses)? • Do they demonstrate inclusive hiring or supplier diversity practices?
<p>Supply Chain Transparency</p>	<ul style="list-style-type: none"> • Do they rely on subcontractors? • Are risks present deeper in the supply chain?

Organizations do not need complex systems to start. Simple, repeatable actions include:

- Ask for evidence: registration documents, past work, references
- Verify key claims: don't rely only on self-declaration
- Use a risk-based approach: higher-risk procurements require deeper checks
- Document decisions: keep records of how and why suppliers were selected
- Include expectations in contracts: embed ethical, inclusion, and performance requirements
- Monitor over time: check performance, not just at selection stage

Adapted from Australian Government (2023), Due Diligence in Procurement.

Opportunities for Disability-led or Women-led Enterprises

Procurement represents a crucial role in advancing inclusive economic growth. UN Women Headquarters Office highlights governments are the largest buyer in any economy, and their procurement decisions shape market access, business sustainability, and enterprise growth opportunities.

The procurement system fosters inclusion and participation among underrepresented groups such as women-led enterprises and disability-led enterprises while considering addressing structural barriers in access to markets, finance, information, and institutional networks. Evidence from initiatives led by UN Women and the Open Contracting Partnership shows that inclusive procurement reforms can significantly increase participation when supported by clear targets, transparent systems, and supplier-focused capacity building.

Cited from [UN Women & Open Contracting Partnership \(2021\), Empowering women through public procurement and enabling inclusive growth.](#)

Barriers & Challenges - 5 Cs Framework

One of the practical frameworks by IDRC called the 5 Cs framework also provides the limitations and barriers for women-led and other underrepresented enterprises from accessing public procurement opportunities.

<p>Capacity</p>	<p>Refers to limited skills, experience, and organizational readiness to compete in procurement processes. This includes gaps in:</p> <ul style="list-style-type: none"> • proposal writing • financial management • understanding procurement rules • business formalization
<p>Complexity</p>	<p>Refers to overly complicated procurement systems and procedures that are difficult to navigate, especially for small businesses.</p> <ul style="list-style-type: none"> • long documentation requirements • unclear rules • technical language • fragmented systems

Cost	<p>Refers to the financial burden of participating in procurement.</p> <ul style="list-style-type: none"> • registration fees • compliance costs • bid preparation costs • cash flow constraints due to delayed payments
Communication	<p>Refers to poor access to clear, timely, and accessible information about procurement opportunities.</p> <ul style="list-style-type: none"> • lack of awareness of tenders • unclear eligibility criteria • inaccessible digital platforms • weak outreach to rural or marginalized groups
Corruption	<p>Refers to informal and unethical practices that distort fair competition.</p> <ul style="list-style-type: none"> • bribery • favoritism • sexual harassment or “sextortion” • lack of transparency in award decisions

Cited from [International Development Research Centre \(IDRC\) \(2025\), Landing government contracts: Boosting women-led businesses through procurement.](#)

Opportunity Area	What it Means in Practice	How It Supports Inclusion	Practical Actions
Inclusive Public Procurement	Government and large organizations intentionally source from women-led and disability-led enterprises	Expands market access and creates stable demand for excluded groups	Set supplier diversity targets; include inclusive eligibility criteria; simplify bidding processes, and ensure accessible procurement platforms
Supplier Diversity Programs	Structured initiatives that identify, register, and support underrepresented suppliers	Reduces structural exclusion from formal supply chains	Create certified supplier lists; run outreach campaigns, and partner with business associations and disability networks
Simplified Procurement Procedures	Reducing complexity in bidding requirements and documentation	Lowers barriers for small and emerging enterprises	Use simplified tender forms, reduce paperwork, allow alternative documentation formats, and provide step-by-step guidance
Accessible Digital Procurement Systems	Online platforms designed to be usable by people with disabilities	Ensures equal access to procurement opportunities	Follow accessibility standards (e.g., screen-reader compatibility, keyboard navigation, plain language interfaces)

Opportunity Area	What it Means in Practice	How It Supports Inclusion	Practical Actions
Capacity Building & Supplier Development	Training and mentorship for enterprises to meet procurement standards	Builds readiness and competitiveness of women- and disability-led businesses	Offer proposal writing training; mentorship programs; procurement readiness workshops, and coaching partnerships
Access to Finance & Pre-financing Mechanisms	Financial tools that support businesses in delivering contracts before payment is received	Addresses cash flow barriers that disproportionately affect marginalized entrepreneurs	Provide advance payments and guarantee schemes, and partner with microfinance institutions and impact investors
Prompt Payment Policies	Ensuring suppliers are paid within a fixed and predictable timeframe	Reduces financial strain on small and vulnerable enterprises	Enforce payment timelines; publish payment performance; include penalties for late payments
Inclusive Data Systems & Tracking	Collecting disaggregated data on suppliers by gender and disability	Makes inclusion visible and measurable	Track procurement participation, publish supplier diversity dashboards, and include disability and gender indicators

Opportunity Area	What it Means in Practice	How It Supports Inclusion	Practical Actions
Targeted Outreach & Market Engagement	Active engagement with underrepresented entrepreneurs	Improves awareness of opportunities and reduces information gaps	Conduct supplier fairs, partner with women’s networks and disability organizations, and run local outreach campaigns
Inclusive Policy Alignment Across Sectors	Coordinating procurement with labour, enterprise, and social protection policies	Creates enabling ecosystem rather than isolated interventions	Align procurement policies with SME development, gender equality strategies, and disability inclusion frameworks

Adapted from [UN Women & Open Contracting Partnership \(2021\), Empowering women through public procurement and enabling inclusive growth.](#)