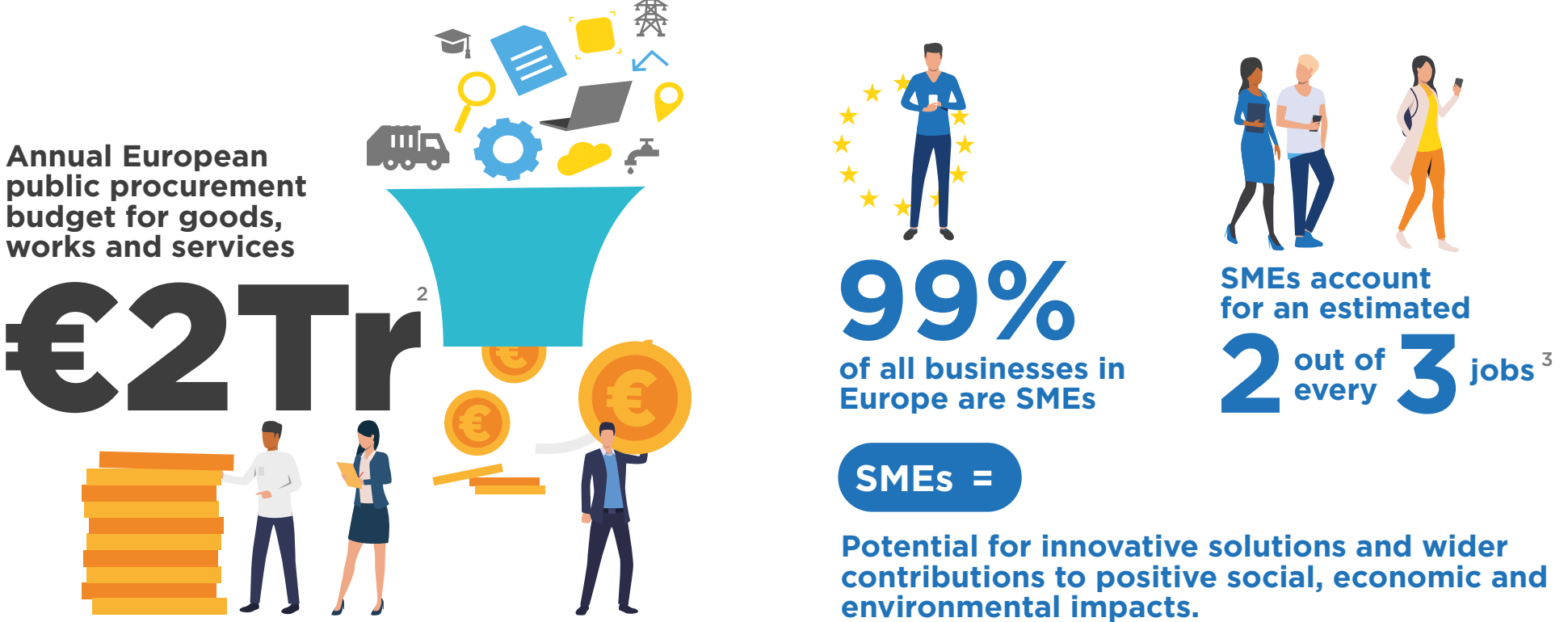


# ENGAGING SMES<sup>1</sup> IN PUBLIC PROCUREMENT:

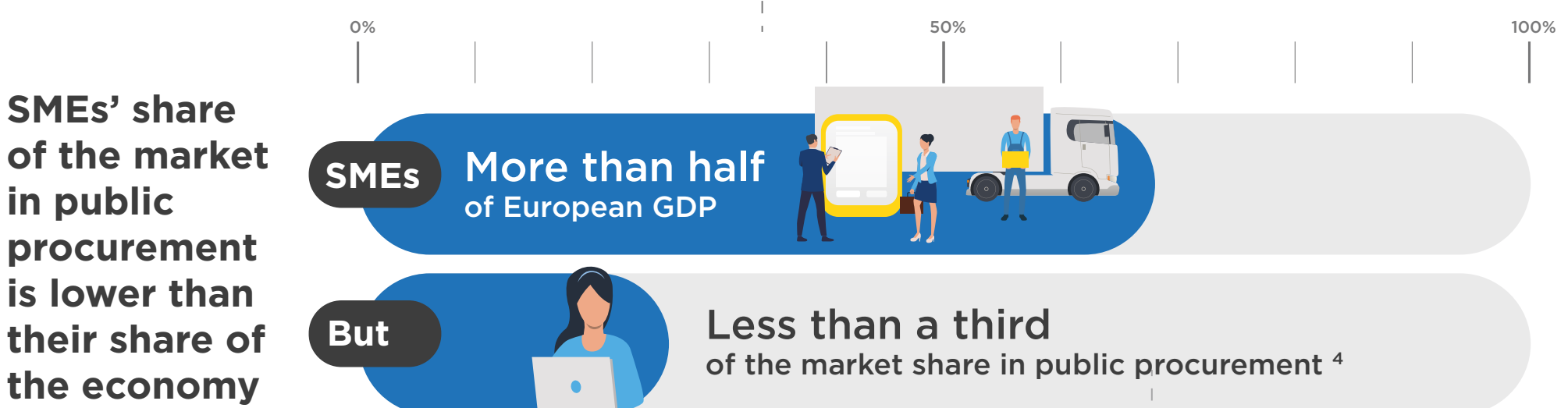
## Tips to create an inclusive procurement ecosystem

### Why it matters

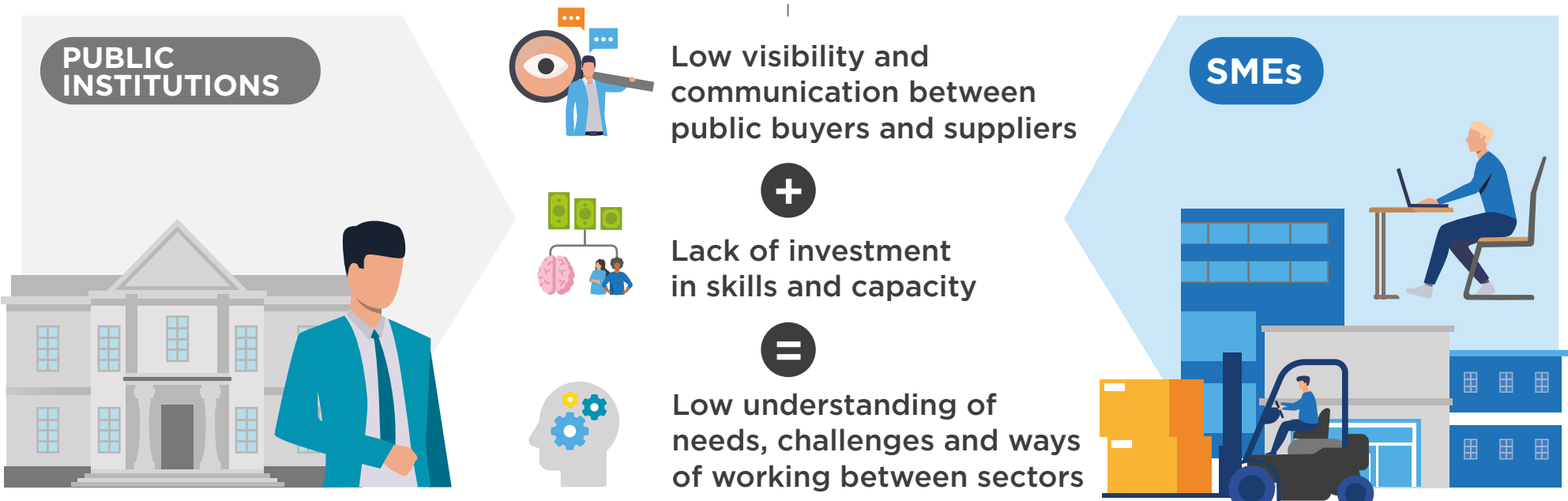


Public organisations need to develop a strategic approach to how they spend public procurement money to achieve wider objectives in terms of sustainability, social inclusivity, and economic resilience. Engaging with SMEs in public procurement plays a crucial role in making this change happen.

### The issue



### The barriers



### What public organisations can do to support SME Engagement

#### Internal actions:

- Build internal skills and capacity** through training and adequate resourcing of procurement activities to support your staff to progress practices and behaviours.
- Develop your knowledge of the supplier market** by building supplier databases and undertaking surveys to understand local SMEs.
- Tip:** Make sure to differentiate between SMEs that choose not to participate and those that feel unable to do so.
- Review public procurement processes and develop solutions** to address SME barriers in accessing public procurement opportunities:
  - Divide larger contracts down into smaller lots**, where possible and appropriate.
  - Assess pre-tender qualifications** and check the requirements are proportionate to the value of the contract.
  - Adapt tender documentation to your audience** to ensure the information is clear and easily understandable to all suppliers.
- Tip:** Be aware that SMEs less used to bidding for tenders may need additional guidance on how to answer questions and how to demonstrate added value.

#### External actions:

- Support the delivery of training** for SMEs on how to engage in public procurement, bid for tenders and deliver social value.
- Provide suppliers with guidance materials** on how to do business with your organisation and how to engage in public procurement.
- Engage with the market** through 'meet the buyer' events and/or networking events between larger companies and SMEs to help SMEs become part of wider supply chains.
- Increase visibility of public procurement opportunities** by identifying the best communication platforms to reach SMEs in different sectors (procurement portals, organisational websites, social media, newsletters, events, etc.)
- Harness the role of business organisations as brokers** to signpost information, raise awareness and increase engagement with potential suppliers.
- Share case studies and good practices** celebrate progress, inspire change in behaviour and practices with other organisations / suppliers and evidence impact.

### Measure your impact

Monitor SME engagement in your public procurement activities through contract monitoring and spend analysis, identify scope for improvement and progress practices further!



For more guidance, tools and recommendations on how to take your strategic procurement journey forward discover the Making Spend Matter Toolkit:

Visit: [urbact.eu/makingspendmatter](http://urbact.eu/makingspendmatter)

#MakingSpendMatter



Making Spend Matter is a network of 7 European cities, funded through the URBACT III Programme and the European Regional Development Fund, exploring how spend analysis can be used as an evidence base to improve public procurement and deliver wider benefits to communities and places.

1. Small and Medium-sized Enterprises

2. European Commission, Public Procurement: [bit.ly/EC-PublicProcurement](http://bit.ly/EC-PublicProcurement)

3. OECD (2019) OECD SME and Entrepreneurship Outlook 2019: [bit.ly/SME-OutlookHighlights](http://bit.ly/SME-OutlookHighlights)

4. European Commission, PwC, ICF GHK and Ecorys, SMEs' access to public procurement markets and aggregation of demand in the EU, February 2014: [bit.ly/AccessstoPublicProcurement](http://bit.ly/AccessstoPublicProcurement)