“The Progressive Public Procurement toolkit emerges as a crucial resource that not only contributes to expanding our feminist imagination on our collective economic futures but also underscores the importance of solidarity in the face of a complex polycrisis affecting many nations particularly in the Global South. If you are struggling to envision a world transformed through feminist economic principles, if you are looking for inspiring actions through mutual cooperation, and if you are interested in the promotion of economic alternatives that can be translated into policy changes, please read this.”

– FELOGENE ANUMO, Regional Director Africa, Thousand Currents

“For most of us, institutional procurement and supply chains are something we rarely, if ever, think about. But in this report, authors Louisa Valentin and Lavinia Steinfort share a powerful—indeed breakthrough—insight: that the hundreds of billions of dollars spent on goods and services each year by public entities around the world can be leveraged to redirect local economies towards more inclusive, equitable and democratic ends. Based on detailed case studies in ten low- and middle-income countries, many in the global South, the transformative power of progressive public procurement policies becomes apparent. At a time when social programs suffer under austerity across the globe, this report argues for a concerted effort to refoes existing supply chain funds in a way that is not only good for institutions, but overwhelmingly for communities—particularly those that are most disadvantaged and marginalized by market forces. Who knew that public procurement of goods and services could be a beacon of such hope and progressive change!”

– TED HOWARD, Co-founder and President Emeritus of The Democracy Collaborative

“I am delighted to hear about the publication of the Progressive Public Procurement Toolkit including case studies of cooperation between local governments and community-based organisations. Having worked in both local governments and social movements, I experience everyday how participatory management of public service involving local citizens are the most successful management experiences because the community together, is not seeking profit, but good delivery of services and dignity. I really hope that employees of local governments and politicians can read this toolkit and understand that participation leads to solidarity, transparency, accountability, and, after all the delivery of better public services.”

– RENATA C. BOULOS, Executive Coordinator at Ação Brasileira de Combate às Desigualdade

“The report gives practitioners and advocators useful tools to mobilise local resources to make business and economy work for people, communities and environment. The diversification of the case studies demonstrates that when all stakeholders take democratic and solidarity economy seriously, innovative approaches can be created to fit into different social and political contexts.”

– TIANLE CHANG, Director of Beijing Farmers’ Market and Founding editor of Foodthink, China
“The Toolkit cleverly uses case studies to weave together a vision for public procurement that advances rights, gender justice, and environmental wellbeing, by placing local communities and workers at the centre of state spending. These are examples of the future we struggle for.”
– GILAD ISAACS, Executive Director at the Institute for Economic Justice (IEJ)

“I wish we had the Progressive Public Procurement Toolkit when we launched our campaign to build economic democracy by assuming municipal power in Jackson, Mississippi. If we had it we would have avoided a few critical mistakes early on, and made more strategic decisions at the same time that would have enabled more profound gains in the mid and long term. I encourage anyone and everyone looking to democratize your local economy to study this work and apply its core lessons in your own context to help you build the transformative power you need.”
– KALI AKUNO, Executive Director, Cooperation Jackson

“When we think about how to promote progressive social change, let’s face it, we rarely think about public procurement. But given the amount of resource that governments spend on buying goods and services, it is actually a key tool for achieving this. This Progressive Public Procurement Toolkit shows how public procurement can be used to foster such social change, strengthening partnerships with local, environmentally responsible and not-for-profit producers, improving conditions for workers, increasing community wealth and democratising public decision-making and the economy. Presenting a range of case studies from different geographies in the global North and South, this toolkit provides an overview of the most interesting progressive procurement experiences, and a source of inspiration for promoting similar social change in other contexts.”
– IOLANDA BIANCHI, Marie Skłodowska-Curie postdoctoral researcher, Urban Studies Institute of the University of Antwerp

“We absolutely need to invest public spending into regenerative economic practices that are democratically controlled and build wealth for community members. My generation has witnessed the coffers of the welfare state being drained by greedy corporations, for the obscene profit of the few. This new toolkit from the Transnational Institute is an important guide to how we can tip the scale back in favor of the many.”
– YVONNE YEN LUI, Co-Founder and Co-Director of Solidarity Research Center
In response to today’s growing crises, the Progressive Public Procurement Toolkit introduces ten in-depth case studies and several shorter examples that showcase how local governments can use procurement to combat socio-economic injustices and environmental harm.

By working together with community-based organisations and worker-owned cooperatives, public authorities are using procurement to re-invest public money into localised value chains that enhance living standards, dignify livelihoods through creating secure jobs and improving working conditions, create solidarity and shared wealth across the rural-urban spectrum, and spur a more democratic economy through public community partnerships and popular participation. In short, progressive public procurement can provide local governments and larger public authorities with the power to reclaim control over value chains and redirect privatised profits into the hands of their local communities.
Progressive public procurement, the purchase of goods, services and works by the public sector under clearly defined social criteria, is gaining traction around the world. Governments and their agencies are turning to local and more social producers and service providers for the procurement of necessary goods and services, with the aim of spending public money in a way that benefits local communities and creates wealth for the many instead of the few.

- strengthen workers’ rights by procuring from democratically governed member-owned cooperatives,
- follow clear social goals to reduce existing socio-economic inequalities,
- increase citizens’ and/or workers’ involvement by creating mechanisms for participation, and
- re-invest public money to transform the local economy in ways that contribute to community wealth-building.

It highlights how progressive public procurement enables local authorities and communities to enhance collective and democratic ownership. This is in line with The Democracy Collaborative’s work to develop community wealth-building as an action-oriented approach that seeks to change the nature and operations of the local economy through claiming direct control over its assets so that it produces lasting outcomes that work for people, place and planet.¹

Through procuring public goods and services from democratically organised cooperatives and local or minority-owned businesses, public authorities create strong links between governments and citizens — so called public community collaborations.² Building on TNI’s 2021 report Democratic and Collective Ownership of Public Goods and Services: Exploring public community collaborations, public community collaborations or partnerships present transformative ways in which citizens are actively involved in the work of government. Participatory approaches to public procurement further strengthen workers’ rights, trust in local governments, and transparency, and allow local economies to grow stronger as wealth is generated and reinvested into local communities. Through public community partnerships in public procurement, we can witness a shift from outsourcing public works to the lowest bidder on the global stage to awarding contracts to community-based enterprises, worker-owned cooperatives, family farmers, and minority-owned and women-led enterprises.


Each of the case studies presented in this toolkit provides unique tools for policy makers and procurement agents in local, regional and national governments. While the legal, social and economic context in each locality is different, we aim to highlight broader lessons that can be learned from these examples, which may serve as inspiration as to how progressive public procurement practices could be co-created and consolidated in other contexts.

The case studies are a selection of the many diverse, innovative practices that already exist around the world. This report by no means paints a complete picture; there are probably other good practices that escaped our mapping. Instead, this preliminary research combines some highlights based on examples that were accessible to or already known by the authors, as well as practices we found in other reports.

While each case study provides valuable tools for public procurement agents, five themes resurface throughout the toolkit:

1. **Local public value chains build community wealth**
   Procuring locally delivers added value to society, responding to the specific social and environmental concerns of a locality. It provides democratic control over value chains and reduces negative impacts on the environment. It enables authorities and residents to actively participate in community wealth-building by leveraging the purchasing power of (local) government bodies and reinvesting public money into the communities they are anchored in. Cases from Zanzibar (Tanzania), Northland (Aotearoa/New Zealand), Kerala (India) and Qali Warma (Peru) showcase the enormous benefits of building public value chains. What's more, the following themes on public collaborations, rural-urban solidarity, defending human rights and formal jobs, and popular participation can be best understood as core dimensions of community wealth-building.

2. **Public community partnerships underpin a democratic economy**
   Creating a collaborative ecosystem consisting of public and community-based actors can resist privatisation and strengthen public collaboration. This is crucial to nurturing the social fabric and a democratic economy in which working people are increasingly in charge. Case studies from Kerala (India), Barcelona (Spain) and Belo Horizonte (Brazil) demonstrate that public-public relationships can replace the long-promoted but extractive public-private partnerships. Public community partnerships pave the way for a local economy that is democratically organised.

3. **Public procurement can strengthen rural-urban solidarity**
   Progressive public procurement practices can re-invent rural-urban relationships that are often based on extracting wealth and resources from rural communities for the benefit of rich, urban actors. Local procurement can create shared wealth across the rural-urban spectrum. Examples from Rennes (France) and São Paulo (Brazil) highlight the benefits of formal procurement contracts between urban municipalities and rural farmers that value and support agricultural workers and their produce, generating income security and more resilient ecosystems along the way.
Public procurement can defend human rights and formal jobs
Democratically elected representatives of local, regional, and national governments have a responsibility to defend and promote the human rights of citizens, workers, and discriminated communities who the capitalist profit-maximising system has been exploiting. By procuring goods and services from informal workers’ cooperatives as part of a pathway to establish progressive and worker-led formalisation, governments can contribute to social security and more stable incomes for impoverished community members, as cases from Belo Horizonte (Brazil), Pune (India), Recoleta (Chile) and Zanzibar (Tanzania) show. To sustainably formalise jobs and build public capacity in-house, local governments should enter into dialogue with workers to explore if they want to be hired as formal public sector servants, with the full rights, benefits and secure employment that should entail.

Popular participation improves public spending policies
Citizen participation is vital to ensure communities are able to decide together how public money is spent for the benefit of all members. A wide variety of approaches are emerging to enhance participation in the tendering process, with varying degrees of citizen involvement. Examples from Peru, the Philippines, Mexico and the Dominican Republic show how engaging groups such as parents, workers and people from discriminated groups on an ongoing basis can improve transparency and strengthen people’s control over public funds. Opening up spending policies to popular participation makes procurement better serve local needs and enables local authorities to earn the trust of their residents.

Governments and their agencies have control over public money; they have to decide whether to finance exploitative corporations or re-invest this money into their local communities. This report demonstrates that local public procurement can be a tool to strengthen economic democracy and contribute to community wealth-building through sourcing goods and services socially and locally. Public spending provides local governments and larger public authorities with the power to reclaim control over value chains, redirect privatised profits into the hands of their local communities, promote labour and other human rights, and support democratic enterprises. We hope that this Progressive Public Procurement Toolkit will inspire and assist many more communities to put this power into action.

THE CASE STUDIES: A SUMMARY

CASE STUDY 1
STRENGTHENING THE POWER OF WOMEN WORKERS THROUGH FORMAL CONTRACTS: ZANZIBAR, TANZANIA
For the semi-autonomous island Zanzibar, the improvement of its waste management and recycling operations has been a crucial topic on the public policy agenda for years. In 2017, in collaboration with the Centre for Science and Environment and the Zanzibar Environmental Management Authority (ZEMA), the Zanzibar Urban Municipal Council (ZUMC) launched a pilot programme to collect segregated waste in the Shaurimoyo neighbourhood within Zanzibar.
City, the island's capital. An essential part of the success of the pilot was the contracting of the Shaurimoyo Waste Management Society (SWMS), a cooperative of informal waste workers, which performs waste collection, recycling and community education tasks. As well as providing informal waste workers with a more secure income and opportunities to earn extra money through the sale of recyclable materials and dried compost, this waste collection method is crucial to reduce environmental degradation. The separation of recyclable and reusable material, including organic waste, prior to collection means the amount of waste ending up in the landfill is reduced. Women waste workers, who are predominantly involved in the collection and processing of the waste, especially benefited from the formalisation and regularisation of their incomes, which contributes to securing their livelihoods.

**CASE STUDY 2  PROMOTING INDIGENOUS SMALL BUSINESSES THROUGH PUBLIC PROCUREMENT: NORTHLAND, AOTEAROA/NEW ZEALAND**

Through a progressive public procurement initiative by New Zealand’s Ministry of Māori Development, Māori-owned business Yakas Construction was awarded the contract to build six public houses in November 2021. In supporting Māori businesses through procurement, Aotearoa/New Zealand demonstrates how governments can use their buying power to build community wealth, promote social development, support minority-owned businesses, and foster local economic development. As a result, several Māori businesses have achieved access to financing and formal credit, as financial institutions are more willing to grant loans to Māori businesses with government contracts. Local economies are strengthened by the inflow of capital and increase in employment opportunities. As demonstrated by the case of Yakas Construction, the collaboration between government agencies and Māori businesses also helps to improve the well-being and living standards of Māori communities through the provision of targeted, affordable housing.

**CASE STUDY 3  PROCUREMENT OF LABOUR COOPERATIVE FOR INFRASTRUCTURE CONSTRUCTION: KERALA, INDIA**

Asia’s largest and one of India’s oldest labour cooperative societies, the Uralungal Labour Contract Co-operative Society Ltd (ULCCS), is a key contractor of the state’s Public Works Department, undertaking various infrastructure construction projects, such as building roads, highways and bridges. Today, ULCCS is a worker-owned cooperative that prides itself on the generous employee benefits and good working conditions and the high-quality service provision it is known for. The cooperative consists of over 13,000 workers, of whom more than one-third are migrant workers and roughly 30 per cent are women. The state government of Kerala has granted ULCCS ‘accredited agency’ status. Effectively, this means that for projects below a certain cost threshold the cooperative can receive government contracts directly, without going through tendering procedures. Moreover, the state has put regulations in place to ensure that cooperatives such as ULCCS receive preferential treatment for procurement contracts compared to private construction companies.
**CASE STUDY 4  COOPERATIVE PROCUREMENT FOR PUBLIC HOUSING: BARCELONA, SPAIN**

Barcelona’s city council has strengthened its commitments to progressive public procurement practices in recent years and developed several guidelines to incorporate environmental, social and ethical standards into public procurement contracts. To address the shortage of public housing in the city, Barcelona created an innovative procurement model, partnering with housing cooperatives that construct affordable public housing units on municipally owned land. Particular attention is given to social and environmental criteria, such as the use of building systems with a low environmental impact, how well proposed projects fit into the neighbourhood, and to what extent members of the cooperatives participate in the construction or remodelling. In 2017, Barcelona introduced the social procurement guidelines aim to boost the cooperative and social sector, while tightening rules for private corporations competing in public tenders. One year later, municipal investment in public co-housing projects amounted to €10.6 million, yielding 134 new public housing units.

**CASE STUDY 5  SOURCING PRODUCTS FROM ORGANIC AND FAMILY FARMS FOR SCHOOL MEALS: SÃO PAULO, BRAZIL**

São Paulo operates one of the world’s largest school feeding programmes, providing around 2.3 million meals per day for over one million students within its municipal area. Since 2012, the city has used its position as a food provider for many children and adolescents to promote healthy and nutritious meals — and to support local and organic producers. By 2015, São Paulo significantly expanded its acquisition of produce from family farms, investing over R$25 million (approximately €4,540,000.00 as of April 2023) in procurement contracts with local farmers’ cooperatives for various products including orange juice, rice and bananas. The initial target for 2017 was set at 3 per cent of the total products procured, with the aim of scaling the share to 100 per cent organic products by 2026. To realise this goal, São Paulo signed a contract for the purchase of 56,376 kg of organic leafy vegetables with COOPERAPAS, the city’s only cooperative that specialises in organic food, which now consists of 36 member farmers.

**CASE STUDY 6  PROTECTING GROUNDWATER AND SUPPORTING LOCAL FARMERS THROUGH CREATIVE PUBLIC PROCUREMENT: RENNES, FRANCE**

To fight water pollution from industrial agriculture and protect its water catchment, the city of Rennes introduced an innovative procurement concept that quickly spread to neighbouring municipalities. To circumvent EU regulations that do not allow the inclusion of local production criteria in public procurement contracts, Rennes initiated the Terres de Sources programme, a label that certifies farmers for following agroecological production principles, thereby safeguarding local water resources. Procurement contracts were rephrased to indicate the purchasing of a service rather than a product, such as ‘yoghurt that safeguards local water resources’. In this way, the municipality was able to provide incentives to farmers to switch to ecological production methods while ensuring that 20 per cent of the food supplied to local school canteens is organic and sourced locally. In 2022, 105 local food partners organised

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themselves into a cooperative society of collective interest to promote *Terres de Sources* products to retailers, restaurants and other outlets, involve consumers and increase the number of farms in the programme.

**CASE STUDY 7 ENDING PRECARIOUS WORKING CONDITIONS BY FORMALISING CONTRACTS WITH WASTE PICKER COOPERATIVES: BELO HORIZONTE, BRAZIL**

Belo Horizonte, the capital city of the state of Minas Gerais, has been an important leader in the formalisation of waste-picking workers, putting an end to the informal and precarious working conditions the workers were facing. After years of dialogue between the municipality and workers, the municipality formally contracted six waste pickers’ cooperatives to carry out the door-to-door collection of separated waste. This open dialogue also manifested itself in continuous collaboration between different cooperatives and the municipality. Since September 2019 the waste picker cooperatives have been collecting, sorting, and recycling waste from 55 neighbourhoods. The example of Belo Horizonte shows that continuous exchange between workers and the municipality is essential to highlight the precarious working conditions informal waste pickers face and develop joint solutions to formalise their work. In 2020 alone, waste cooperatives in Belo Horizonte recycled more than 4,000 tonnes of paper, metal, glass and plastic.

**CASE STUDY 8 SCALING THE BENEFITS OF WASTE WORKER FORMALISATION: PUNE, INDIA**

Since 2008, India’s first wholly worker-owned cooperative of self-employed waste collectors has provided door-to-door waste collection for the large city of Pune, home to 3.1 million people. Born out of a pilot programme to upskill 1,500 waste pickers, the cooperative SWaCH has grown to over 3,500 members and collects waste from over 800,000 households per day. The exemplary cooperation between the Pune Municipal Corporation (PMC) and the workers’ cooperative SWaCH has served as the basis for national policy changes and as inspiration for other cities. Moreover, the issuing of ID cards to the waste pickers by the PMC has influenced the national government, prompting it to pass legislation in 2016 that requires all cities to register waste pickers, provide them with ID cards, and integrate them into formal waste management systems and decision-making.

**CASE STUDY 9 INTERCULTURAL WORKERS’ COOPERATIVE: RECOLETA, CHILE**

In 2015, the municipality of Recoleta started acting to address the pitfalls of privatising essential public services. With municipal support, workers organised themselves in a cooperative to compete for the public tender for the cleaning of streets and public spaces. Rewarding the cooperative’s efforts to prioritise workers’ rights and dignity, the municipality awarded the contract to the intercultural workers’ cooperative *Jatún Newén*. However, after a falling out between the cooperative and municipality in 2020, the contract was not renewed, leaving the cooperative to compete with large private corporations and offer its services to the private sector. Thus, while serving as a prime example of municipal support in the early years, the experience of *Jatún Newén*
in Recoleta also highlights the dangers for workers falling back into insecure working arrangements. One way a local authority can mitigate against this would be to explore if the waste workers want to be turned into municipal employees while upholding the autonomy of the cooperative.

**CASE STUDY 10** COMMUNITY-LED PURCHASING FOR SCHOOL MEALS, QALI WARMA, PERU

Initially established as a three-year pilot programme, the Qali Warma social programme has become a successful example of community-led public purchasing for public school meals throughout the whole of Peru. With procurement committees consisting of community members, health experts, teachers and civil society representatives at the regional and municipal levels, the programme enables public collaboration and citizen oversight throughout the different stages of the procurement process. It is locally co-managed through decentralised committees that purchase goods for schools within their district, taking into account nutritional preferences and procuring goods from family farmers in the region. As a result, countless food purchasing committees came into existence, prompting national legislative changes to increase the share of family farming procurement to 30 per cent by 2024. This benefits local farmers by creating a steady demand for their products, the local community as public money is reinvested and remains in the community, and school children who are served locally grown fruit and vegetables.
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Download the full report on tni.org/progressivepublicprocurement