

Inclusive Supply Chains

Overview

Supply chains are an important lever for the private sector to create positive and sustainable impact. Companies can foster innovation, increase brand value, and explore new markets by integrating under-represented groups—such as women-owned businesses or people who live at that base of the economic pyramid—as suppliers, distributors, and retailers. This is what we refer to as inclusive supply chains.

Inclusive supply chains are not only a way to create economic opportunities for historically disadvantaged groups, but also a way for companies to build [greater resilience and responsible business practices](#) that can sustain today's complex environment of supply disruptions and evolving customer preferences.

IFC works end to end across a company's value chain to increase the participation of underrepresented groups in the procurement and distribution operations of a business. This often means engaging with micro, small, and medium sized businesses to help companies [diversify their supplier base](#) or [enhance their distribution channels](#) to open new markets.

Inclusive Supply Chains Yield End to End Benefits:

- Greater returns on the cost of procurement, and increased supplier availability minimizes disruptions.
- Access to a wider variety of high-quality suppliers contributes to more competitive prices over time.
- Developing women-owned and low-income distributors and retailers leads to increased sales performance.
- Distributors and retailers can open new markets for manufacturers and increase access to hard to reach consumers, including in the last mile.



Companies increasingly recognize the business benefits of an inclusive supply chain—from expanded market share to greater resilience and improved brand value. Inclusive supply chains have proven to be good business.

Photo: Dominic Chavez/IFC



Photo: Rumi Consultancy/World Bank



Photo: Dieter Castañeda/World Bank



Connecting Entrepreneurs to Supply Chains

- With support from Norway and We-Fi, IFC has created Sourcing2Equal, a global program that aims to increase access to markets for 5,000 women-owned and led businesses through corporate supply chains. [Sourcing2Equal Kenya](#) is the first pilot with additional projects to be rolled out by 2023.
- IFC is collaborating with technology platforms, such as [TradeDepot](#) and [MaxAb](#), that digitize and simplify distribution networks for fast-moving consumer goods companies. Business-case research and advisory support will provide an understanding of how meeting the needs of women distributors and retailers can increase their representation on such platforms, ultimately boosting business growth.
- IFC invested in the Suguna Group, a leading poultry integrator in India with the aim to triple the percentage of female poultry suppliers in the company's value chain. Support from We-Fi was leveraged to provide women poultry suppliers in the company's value chain with access to capacity building, finance, and markets to help their businesses grow and increase in profitability.

Boosting Access to Markets for Underserved Entrepreneurs

IFC partners with corporations, financial institutions, and leading organizations to launch solutions that support inclusive supply chains in emerging markets.

Building Business Case through Partnerships and Research



With the support of the [Women Entrepreneurs Finance Initiative \(We-Fi\)](#), IFC partnered with [WEConnect International](#) to promote market access opportunities for women-owned enterprises in emerging markets through round tables and company best practices sessions. Learning briefs on gender-inclusive sourcing have been published for [South Africa](#), [India](#), [Bangladesh](#), and the [Andean region](#).



IFC partnered with [Daraju Industries Limited](#) to assess the financial and non-financial needs of women entrepreneurs within their distribution network. The project found that [female distributors sold 30 percent more to women consumers](#) – opening a new market.

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• [@IFC_org](#) and [@WBG_Gender](#)
• www.ifc.org/gender