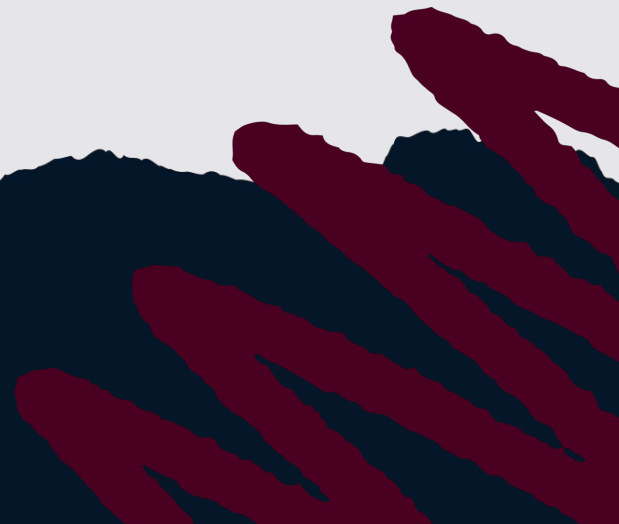




**PROMOTING
ECONOMIC INCLUSION
IN SUPPLY CHAINS
GUIDE**



PROMOTING ECONOMIC INCLUSION IN SUPPLY CHAINS

WHAT IS ECONOMIC INCLUSION?

Economic inclusion in a broad sense refers to ensuring that everyone, regardless of their background, has a fair chance to participate in the economy and benefit from its growth.

Economic inclusion in supply chains refers to ensuring that businesses of all sizes, geographies, or ownership structures have a fair and equitable opportunity to participate in the supply chain process. This includes providing access to information, resources, and markets, as well as ensuring that suppliers are treated fairly and ethically.

WHY IT MATTERS

Contributing to the Global Goals

By promoting economic inclusion in supply chains, businesses can contribute to the [United Nations Sustainable Development Goals](#) helping to ensure:

- + **Social equity** - by reducing inequality and poverty and providing opportunities for businesses within local or marginalised communities.
- + **Economic growth** - by stimulating local economies and creating jobs.
- + **Sustainability initiatives** - by reducing the environmental impact of supply chains by supporting local and fair trade practices.

Creating Resilient Supply Chains

Promoting and supporting economic inclusion also helps to ensure **supply chain resilience** by broadening the supplier base, strengthening local supplier networks, and opening up the supply chain to greater levels of innovation and different perspectives.

- + **Reduced dependence** on single supply chain sources.
- + **Increased geographic diversity** helping to minimise the impact of localised issues.
- + **Increased adaptability** - a more diverse supplier base can help businesses to adapt to changing market conditions or consumer preferences.



WHERE TO START

For some organisations, actively supporting small, minority-owned, or local businesses may be enough to demonstrate the consideration of economic inclusion when selecting suppliers.

For organisations with more complex supply chains, we recommend a more in-depth supplier audit process in order to build an accurate picture of economic inclusion within the supplier base.

Gather Supplier Information

Start by compiling a list of all your key suppliers, including those that provide essential goods or services. Group suppliers based on their importance to your business.

Consider whether you have a thorough understanding of the ownership structure, location, size, and policies of your key supplies. If not, you may be able to access this information publicly, or you can consider reaching out to suppliers individually to request the data you need. Check your purchasing records or supplier management software for any relevant information.

Analysing Supplier Diversity

Assess the economic diversity of your key suppliers to determine where areas of your supplier base may be economically homogeneous. Considering factors such as ownership structure, location and organisation size will help you to identify and address potential risks associated with your current suppliers, such as dependence on a single region or industry.

Determine the specific goals you want to achieve through diversification, such as reducing risk, improving innovation, or supporting local economies. Establish quantifiable targets for diversification, such as increasing the percentage of suppliers from different regions or industries.

NEED MORE HELP?

We'd love to speak! Contact the team at: info@future-plus.co.uk.

You may also want to check out our guide to creating diverse and inclusive supply chains, which you can access via the HelpHub.

