

## **Substantive Background Note on National Dialogues in Kenya, Malawi, Tanzania, Uganda and Zambia (April 2009)**

### **Fostering Equity and Accountability in the Trading System (FEATS) Project**

#### Why FEATS?

International trade can foster economic development and reduce poverty in developing countries provided it generates employment, particularly in labour intensive agriculture and agri-business sector, and the necessary flanking policies are in place. Many developing countries need better awareness of the issues involved so that they can forge a better coherence between development and trade policies.

Developing countries including their civil society are cognizant of the positive role that trade can play in development and poverty reduction and have made efforts to improve their capacity to constructively and effectively participate in the WTO and to take advantage of the opportunities that international trade offers.

Despite these efforts many developing countries particularly from Africa, have not been able to fully participate in and benefit from the multilateral trading system. They still need to better understand the complex issues at the interface of trade and development through sound analytical work that is objective and is based on their real needs and capacities. There is also the need to better link Geneva with the capitals on the one hand, and the negotiators and policy makers with the civil society, private sector and academia on the other. And, research and analysis should be supportive of and be supported by appropriate advocacy and networking.

#### Introduction to FEATS Project

The FEATS Project of CUTS is being undertaken with funding support from The William and Flora Hewlett Foundation of the US. Project focus is on Kenya, Malawi, Tanzania, Uganda and Zambia. It commenced in 2008 and will go on until March 2011. The project broadly aims at raising awareness for better coherence between development and trade policies thus contributing to economic development and poverty reduction in project countries. More specific objectives include:

- Ensuring and enhancing positive linkages between trade and development in Africa by developing the capacity of governments to proactively and positively respond to trade issues through their involvement in policy research
- Advocacy with trade officials in Geneva and in national capitals by establishing robust, two-way linkages between activities in Geneva and in project countries

- Generating a more coherent pro trade for development African voice in the formulation and implementation of trade and development policy at both the national and international levels

The project consists of three sets of activities that are organically linked. These are: policy research, advocacy and networking. Policy research aims to present inputs to the trade policy community and civil society organisations in Geneva and in national capitals in project countries on specific issues of international trade and their impact on development. Advocacy seeks changes at national and international level which are necessary to promote equity and accountability in the trading system through dialogues and targeted publications. Finally, networking activities aim to connect trade negotiators, trade policy officials, research bodies, intergovernmental and non-governmental organizations in Geneva and selected African countries with a view to achieve better understanding of the issues, and thus, to influence trade policy debate and its linkages with development.

It is believed that the organically linked activities related to research, advocacy and networking will further build the capacity of stakeholders within the project countries including the capacity of their governments to better understand, participate in and derive benefits from the international trading system and hence improve the equity and accountability of the system.

The project is divided into two phases. In the first phase (from April 2008 till September 2009), an analysis of the political economy of trade policy-making in the project countries is being undertaken. Research studies in this phase focus on issues related to trade policy-making and the role of different stakeholders to better understand the dynamics of domestic policy making environment.

The ToR for the first phase research studies were finalized at the National Inception Meetings held in the project countries in October 2008. These meetings also established National Reference Groups (NRGs) in each country. The first draft of research studies were shared with respective NRGs and revised based on their comments as well as an internal review. The revised drafts will be presented to the National Dialogues to be held in project countries in April-May 2009. (Please visit <http://www.cuts-grc.org/FEATS-Projects.htm> for further information on FEATS project and the activities undertaken so far.)

Research studies in the second phase will focus on trade in agriculture, including looking at the dynamics of agri-business and trade facilitation issues. A specific issue within the broad context of trade in agriculture will be selected in consultation with stakeholders in each project country and in view of its importance for enhancing people's livelihoods and / or devising safety nets from possible adverse effects from trade liberalization. The research on this issue will aim to juxtapose supply-side constraints with demand-side factors and examine the linkages with livelihood issues, including employment.

The trade policy research in both phases will employ an inclusive methodology by involving representatives of the governments, civil society and researchers in the project countries.

### FEATS National Dialogues

National Dialogues to be organized in each of the five project countries are important components of advocacy activities under the FEATS project. National Dialogues will also be the means to validate the research findings and strengthen the networks established under the FEATS project.

First set of National Dialogues will be held in April-May 2009.

### Main Objectives of National Dialogues 2009

Main objectives of the first set of National Dialogues are:

- a. To deepen the understanding of all stakeholders about CUTS International, FEATS Project and the research studies
- b. To present the drafts of first phase research studies on the political economy of trade policy making for discussion and validation
- c. To discuss and finalize the Terms of Reference for issue-specific research studies in the second phase
- d. To discuss the modalities of second phase research, and
- e. To consolidate the networks established, particularly the National Reference Groups (NRGs).

### Outputs and Outcomes of National Dialogues 2009

Main expected outputs of the National Dialogues include:

- Summary reports of the Dialogues
- Updated lists of stakeholders with contact details
- Final Terms of Reference for the issue-specific policy research in the second phase
- Modalities for second phase research

Main expected outcomes of the Dialogues include:

- Better understanding among stakeholders of CUTS, FEATS and policy research
- Finalisation of research studies in the first phase
- Strengthened relationship with and among stakeholders

## Follow Up Activities

The National Dialogues 2009 will be followed up with:

1. Preparation and circulation of the summary Dialogue reports
2. Finalization and circulation of the second phase research studies ToRs
3. Commencement of second phase research
4. Publication and dissemination of first phase research studies, and
5. Follow-up communication with stakeholders through the e-network.