

# **FORSTERING EQUITY AND ACCOUNTABILITY IN THE TRADING SYSTEM**

## **A Project by CUTS Geneva Resource Centre**

The Fostering Equity & Accountability in the Trading System (FEATS) project will have three streams of activities:

- Policy research
- Advocacy
- Networking

Specific activities will be implemented in the following countries in Eastern and Southern Africa:

- Eastern Africa: Kenya, Tanzania and Uganda
- Southern Africa: Malawi and Zambia

The activities will be implemented over a period of 36 months: two project cycles of 18 months. The first project cycle will be from April 2008 to September 2009 and the second project cycle will be from October 2009 to March 2011.

### Details of Activities

#### ***Policy Research***

Policy research will focus on identifying and filling the analytical gaps, as identified by the countries themselves, and also to identify gaps in the trade policy making machinery in the countries, at the regional and the international level. Narrowing down where the biggest holes are (in trade policy formulation, its implementation and linkages with other macro policies) will help identify where and how to fill them. This will then help in deciding how research can add value for the five countries in Geneva, how it can add value in the regions, and what kind of research the others will have to do.

The research part of the project will start with a comprehensive analysis of political economy of trade policy-making in these countries. All issues relating to trade policy-making, the role of different stakeholders (including that of other relevant ministries than just trade ministry) will be thoroughly researched to better understand the dynamics of domestic political economy environment, particularly the factors which are supporting/hindering a more pro-trade domestic policy environment. Other than researching trade policy-making process in countries, this research will look into the relationship between national capitals, regional bodies and trade missions in Geneva and other important capitals in the context of responding to various trade policy issues. It will help in understanding the factors to be taken into account for educating the broader policy community about the positive role that trade can play in a coherent national strategy for development. This research will be done during the first project cycle. It will also help in preparing a comprehensive TOR (terms of reference) for doing policy research on thematic issues during the second project cycle.

Following the political economy research, policy research will be done on an issue which is most important from the point of view of enhancing people's livelihoods and/or devising safety nets from possible adverse effects from trade liberalisation in these countries. Keeping in mind the latest developments in the arena of international trade and by juxtaposing supply-side constraints (physical infrastructure and institutional factors) that these countries are facing with demand-side factors, policy research will focus on trade in agriculture, including looking at the dynamics of agri-business and trade facilitation issues (and their linkages with livelihood issues, including employment generation).<sup>1</sup>

Research will be done in an inclusive manner. In other words, the larger trade policy community (including those who are related with trade but not directly involved with the trade ministry) in national capitals in select countries and in Geneva and civil society organisations of these countries will be asked on what issues they want research to be done; what kind of inputs they want; and how the research is to be done. One policy research paper (as per the broad research theme stated above) during the second project cycle will be done in all the five countries where the project will be implemented. Outputs from policy research will be collated for publication and distribution. However, such a publication will be more to keep an institutional memory for the research done and it will be in electronic form. More important than a publication are policy briefs and other recommendations that will come out regularly while doing research, which will help in doing advocacy and networking. A country-specific policy research will be done by a researcher based in that country along with the Research Coordinator of the project and it will be done in an inclusive manner, i.e. by involving the policy community with the research and by gathering views and concerns of the civil society and other relevant stakeholders. The purpose is also to develop the capacity of country-based researchers and others to be associated with the project.<sup>2</sup> Detailed terms of reference (TOR) will be prepared and that will be discussed within the network.

### *Advocacy*

National dialogues will be organised in project countries to discuss and debate the policy research and related issues. Government officials (from trade ministry and other relevant ministries/bodies), academic experts, civil society organisations, media persons, representatives of inter-governmental and international bodies and donors will be invited to take part in these dialogues. They will focus on key messages that will come out of policy research and what actions are to be taken in order to better ensure pro-development and pro-poor outcomes of

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<sup>1</sup> This theme is proposed after a preliminary investigation that it is relatively less researched (in the manner this policy research will be done) and at the same time important for the project countries if one is to look at the linkages between international trade and development. This research theme will be weaved with a host of other important issues being faced by these countries. Such thoughts will be presented at an inception workshop to be held at the beginning of this project and where targeted beneficiaries of the project will be invited.

<sup>2</sup> Many of these countries lack in-house (including in trade ministry) research capacity. This project will address this particular concern. The policy research will follow the principles of 'action-research' – the beneficiaries for whom the research will be targeted will be intrinsically involved with the process of conducting research.

international trade. Over the two project cycles, two national dialogues will be organised in each project country.

In Geneva, issue-specific dialogues will be organised with the trade negotiators of these countries, other WTO Members and Geneva-based experts from bodies such as World Trade Organisation, United Nations Conference on Trade and Development, International Trade Centre. Report (with action points) of these meetings will feed into the larger network of targeted project beneficiaries, particularly in trade and other ministries/bodies in national capitals and regional bodies (such as COMESA, EAC). There will be regular small meetings in Geneva and issues will be selected on the basis of demand by the Geneva mission of these countries and by taking into account the research results. The broader objective of organising these dialogues is to counter the Geneva-based trade sceptic NGOs, to put the trade debate in the broader context of 'incentive' for agriculture/agri-business in particular, to discuss why and how trade negotiations should be done in future so that poor countries can take more effective and proactive part.

Furthermore and on a regular basis, CUTS Geneva Resource Centre will place its advocacy messages before the larger trade policy community by analysing issues relating to the Doha Round of negotiations (if it continues during the project implementation) and its implementation (if the Doha Round is completed). By involving CUTS-Lusaka and CUTS-Nairobi, CUTS-Geneva will gather inputs from the project countries while sending out these advocacy messages. Thus, instead of just sensitizing the trade negotiators (including other stakeholders of the trade policy community) CUTS-Geneva will proactively advocate with the stakeholders on specific trade-related issues and by taking a pro-trade approach to influence larger developmental issues.

### *Networking*

Networking will be the most important function of this project and will be a continuous activity. Networking will be targeted to trade negotiators in Geneva, government officials (from trade and other ministries/bodies) in countries, representatives of inter-governmental organisations (such as WTO, UNCTAD, ITC), representatives of regional bodies (such as COMESA, EAC) and civil society organisations in countries.

The project will start with an inception meeting (to be held in Geneva) of targeted beneficiaries where the project details (including topics for policy research, the purpose of advocacy, the importance of networking) will be discussed. Besides the inception meeting in Geneva, such meetings will be held in five countries where local policy-makers and other stakeholders will participate. These country-based inception meetings will help in generating better local buy-in for the project activities.

An international conference will be organized in Geneva in each project cycle where the target beneficiaries of the project (from both the regions) and other international experts will be invited. These meetings will be thematic. This event will also be used as a platform to conduct annual project review by organising a separate, smaller meeting of key beneficiaries to be associated with the project, the project advisors and the development partner.

A Project Advisory Committee will be formed. This will be a five-member body and relevant trade policy officials from COMESA and EAC will be invited. Members of this Committee will be kept regularly informed. For this purpose, a quarterly report on project implementation will be prepared.<sup>3</sup> A meeting of this Committee will be held during the project inception meetings and international conferences. Some members of this Committee will be invited to some national dialogues. Achievements and non-achievements of the project and other related issues will be discussed at this meeting on the basis of an action taken report.

Other than specific networking activities as stated above, the project personnel in Geneva and in Lusaka and Nairobi will be continuously engaged in networking with the targeted beneficiaries and other stakeholders relevant to the project. For instance, other than issue-specific dialogues in Geneva (as part of advocacy) project personnel will have regular meetings (one-to-one and small meetings) with the trade negotiators and Geneva-based experts. Similarly, project assistants in Lusaka and Nairobi will be in regular touch with trade officials of COMESA and EAC Secretariat and in national capitals of project countries. Such networking will help CUTS centres in Africa and CUTS in Geneva in doing regular advocacy with policy-makers and other key stakeholders with policy briefs and recommendations.

Thus, diagnostic needs assessment of these countries (including that of the regional bodies like COMESA, EAC) to respond to trade policy related issues will be done on a regular basis. The objective is to develop the capacity of these governments to respond to policy initiatives (including negotiations and implementation concerns). The outcomes of such assessment (including analysing specific trade policy proposals and mentioning various sources of good and relevant analysis) will be posted on the project web page and will be disseminated to the trade community at large. Furthermore, project personnel will take part in meetings in Europe, USA and in project countries/regions to advocate key messages, which will come out of various project-related activities and otherwise, and particularly to provide an antidote to trade sceptics in these countries.

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<sup>3</sup> They will be experts drawn from the project countries, inter-governmental organisations (such as WTO, UNCTAD, ITC) and regional bodies (such as COMESA, EAC).