

Fostering Equity and Accountability in the Trading System

Background

Trade regime embodies not simply regulative rules but also constitutive rules which address questions about why the regime exists in the first place, what purpose it aims to serve, what roles its actors are expected to play and so on. These issues fall into the sphere of political economy of trade. Unlike the economics and law of trade regimes, the political economy of trade has not been thoroughly studied and understood particularly in the context of smaller developing countries. Cognizance of this important gap, the Fostering Equity and Accountability in the Trading System (FEATS) project was carried out in Kenya, Tanzania, Uganda, Malawi and Zambia from 2009-2011 with support from the William and Flora Hewlett Foundation.

Goals and Objectives

In its first phase, FEATS project focused on trade policy making processes and the role of stakeholders in trade policy making in project countries. The objective was to create better understanding of this aspect of the political economy of trade policy making in project countries with a view to finding ways and means to promote broader national ownership of trade policies.

Project Activities and Outputs

The research involved 18-month long effort to collect data, engage with all relevant stakeholders constituted into National Reference

Groups in each project country, test hypotheses and analyses through brainstorming meetings in each country, and an expert group of project advisers guiding the results. Ambassadors to trade officials; civil society networks; grassroots level development NGOs; universities; research foundations; business associations; farmer groups and manufacturers' guilds, all participated in this process.

The project outputs included identification and description of key stakeholders, both the state and non-state actors; identification and description of the processes and mechanisms used for trade policy making; description and analysis of the participation and role of various groups of stakeholders in trade policy making with their respective strengths and weaknesses; and identification of main weaknesses in the current processes and mechanisms used for trade policy making that need to be addressed to improve stakeholder participation and hence establish an organic link between the interests and concerns of stakeholders, on one hand, and the trade policies of the countries, on the other.

Project Outcome

The project findings showed that a number of initiatives had been undertaken by governments in the project countries to open up the trade policy making process to a larger group of stakeholders including relevant government ministries and agencies, private

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sector, NGOs, and research institutions. The primary means for this were the formal consultative mechanisms. Research also indicated that the stakeholders were aware of these efforts and eager to play an active role in trade policy making. However, their improved and effective participation in trade policy making required strengthened capacity of all stakeholders, improved and more consistently used consultative mechanisms (i.e. inclusion of all relevant stakeholders, rationalisation of number and functions, regularity of meetings, and clarity of mandate), and promotion of a culture of dialogue among all stakeholders.

The project facilitated capacity building of relevant stakeholders from Kenya, Malawi, Tanzania, Uganda and Zambia through research,

public education, and networking. It contributed for a more coherent and pro-trade for development voice at both the national and international levels.

Under the project a qualitative tool entitled “Inclusive Trade Policy Making (ITPM) Index” was developed and used as a rough but useful indicator of the performance of various groups of stakeholders in trade policy making in the project countries. The objective of this Index was to identify areas in the trade policy making process which could benefit from targeted intervention. After the completion of the project, stakeholder could use the ITPM Index on a yearly basis to measure progress and periodically fine tune the remedial actions.