

Non-State Actor Engagement in Policy Making to Mainstream Governance, Trade, and Regulation for Development



How We Work: Three 'Verticals' of CUTS

State institutions in many developing countries have a significant role in supplying public goods to consumers. With an active network of over 950 voluntary organisations across Rajasthan, India, CUTS works on **good governance** through grassroots capacity building, networking, and awareness leading to government engagement to bring marginalised voices to the table and ensure accountability of policy practices.

CUTS also works with a network of more than 60 research and CSO partners around the world toward **rules-based trade** for consumers across the developing world to enjoy the benefits of liberalisation and integration into the world economy.

Scope and supply-side dimensions of many goods and services are changing fast. Therefore, CUTS works for **effective regulation** so that consumers can have better access to quality goods and services at affordable prices.

What We Want: CUTS Message on NSA Engagement

For over 30 years, as part of its core operations, CUTS has consistently worked towards and supported *inclusive dialogue and policy making processes with non-state actors – consumers, civil society, stakeholders and other marginalised groups – at the community, national, regional, and international level.*

Consultation is required with a wide and diverse group of non-state actors (NSAs) taking part in policy making dialogue to ensure that **policies are inclusive and responsive to challenges based on the ground realities.**

Engaging with grassroots stakeholders plays an important role in **gaining support for policies** as well as **testing ideas** and proposals with those who are most vulnerable.

Engagement requires a '**bottom-up**' approach to **identify relevant issues to understand the vital perceptions and needs** of consumers, civil society, stakeholders and other marginalised groups in preparation of policies and practices.

Inclusion requires **building and supporting formal and informal networks** of NSAs.

Consumer Sovereignty: The End Goal

CUTS' work for more inclusive policy making processes supports its vision of '*consumer sovereignty*'.

- ♦ Increase people's participation at various levels of governance and implementation of policies, laws, and rules
- ♦ Government agencies are held accountable in the provision of quality goods, services and technologies in social and utility sectors
- ♦ Development of well-functioning markets
- ♦ Effective competition policy and law regime, welfare maximising sector regulations, and an enabling investment regime
- ♦ Create a questioning society through empowering NSAs to promote transparency and accountability in the system of trade governance

Improving Service Delivery by Urban Local Government through Enhanced Civic Engagement

The quality of life in a locality or a city to a large extent depends upon the availability of suitable infrastructure and services. This becomes particularly important in urban areas where the demand for infrastructure and services is high and often cannot cope with the pace of rapid migration, urbanisation and development. Urban local governments, municipal corporations and municipalities have to a large extent been unable to meet the expectations of the public, partly due to lack of civic engagement.

Revitalising the connection between governments and citizens helps in finding local solutions to existing problems in the cities. Consolidated feedback generated using **Citizen Report Card** and ranking of services through **Public Service Index** draws attention of public authorities to take corrective measures and improve upon. The media is also important for putting pressure to correct services. Citizens too become more aware and get a chance to air their voices and develop understanding about limitations of public officials as well. The whole process improves the services, relationship and empowers citizens.

(<http://cuts-international.org/cart/MyCity.htm>)
(www.cuts-international.org/CART/index.htm)



Rural Empowerment

'Empowerment' means creating a critical consciousness in people about the existing socio-economic system and making individual communities capable of identifying what type of social change they wish to achieve and how to attain it.

This can be achieved through a process of education, training, networking, and building up grassroots and community action groups.

(<http://www.cuts-international.org/chd/Rural-Empowerment-Project.htm>)
(www.cuts-international.org/chd/)



The BRICS New Development Bank & Civil Society Imperatives

The involvement of civil society groups and experts is imperative if one wishes to understand the local-level social, economic and environmental impacts of infrastructural investments.

Civil society groups, media and academics within the BRICS countries need to work together to **ensure the New Development Bank (NDB) pursues lending that is ecologically sustainable, promotes inclusive economic growth and development, and bases its operations on good corporate governance.**

Mechanisms such as the **Civil BRICS Forum** convened at the seventh BRICS Summit are a crucial component of facilitating an inclusive approach to development banking through the formation of a broad-based platform that allows civil society groups to influence decision-making in the NDB.

(http://www.cuts-citee.org/pdf/Briefing_Paper-The_BRICS_New_Development_Bank_&_Civil_Society_Imperatives.pdf)

TRADE

Capacity Building and Grassroots Participation in the Enhanced Integrated Framework

The Enhanced Integrated Framework (EIF) is a special initiative of the WTO to mainstream least developed countries (LDCs) into the international trading system as a vehicle for economic growth and poverty reduction. In order **to help promote the utilisation and ownership of the EIF process, NSAs must possess the knowledge and skills to participate and strengthen this initiative for their own benefit.**

(<http://www.cuts-international.org/ARC/Lusaka/BETAMPOR/index.htm>)
(www.cuts-international.org/arc/lusaka/)



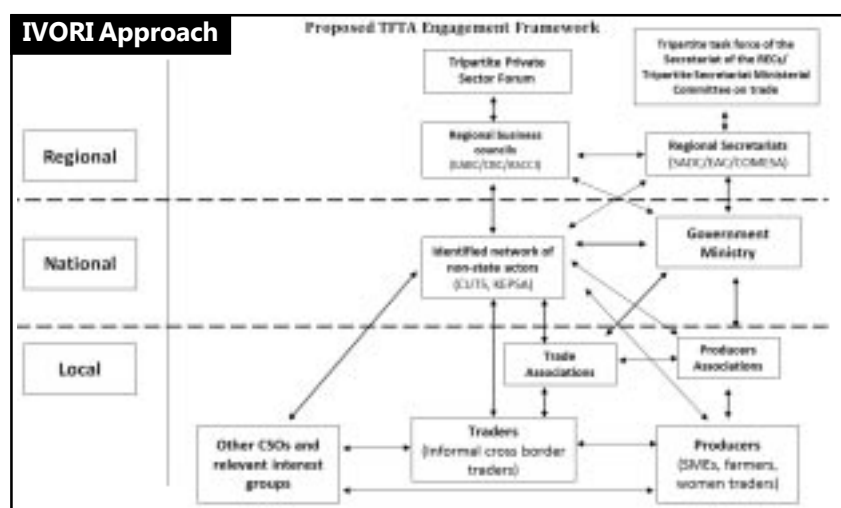
The method to drive forward a country-owned and sustainable EIF National Implementation Unit delivery by achieving inclusive participatory engagement with NSAs includes:

- **Mapping:** Mapping relevant stakeholders
- **Outreach:** Starting reach out initiatives such as maintaining a mailing list, creating a simple website and setting up an online forum
- **Assessment:** Surveying stakeholders towards compiling their experiences in an assessment report
- **Engagement towards a Roadmap:** Engaging NSAs in a workshop setting to sensitise them about the importance of trade mainstreaming and towards developing a roadmap for enhancing the participation of NSAs in the EIF
- **Implementation:** Implementing the adopted roadmap

(http://www.cuts-geneva.org/EIF_sPokes.html) (www.cuts-geneva.org/)

Integrating Voice of Non-State Actors in Eastern and Southern Africa Economic Integration Process

In order to foster an inclusive and well-functioning regional economic integration in Eastern and Southern African region through the Tripartite Free Trade Agreement (TFTA), **NSAs – private sector, local traders and producers, CSOs – must have a voice in decision making in communities, national governments, regional economic communities and TFTA institutions.**



Recommendation: establish an institutionalised engagement framework for NSA participation in decision making at all levels of economic integration in Eastern and Southern Africa.

(<http://www.cuts-international.org/ARC/Accra/IVORI/IVORI-III.html>)
(www.cuts-international.org/arc/nairobi/)

Stakeholder Consultation in FTA Negotiations

For countries to have the most useful information to negotiate free trade agreements (FTAs) and address potential shocks from trade liberalisation **there must be adequate policies and mechanisms to engage with stakeholders, grassroots actors and vulnerable sectors.**

Recommendations:

- Governments should create clear and comprehensive policy to seek input from relevant stakeholders
- Information flow should be as open as possible and use accessible technology
- Sectoral advisory groups can be used to focus on specific issues
- Maintaining contact with vulnerable groups during implementation of FTAs will allow governments to appreciate the ground-level impact of trade liberalisation and govern accordingly

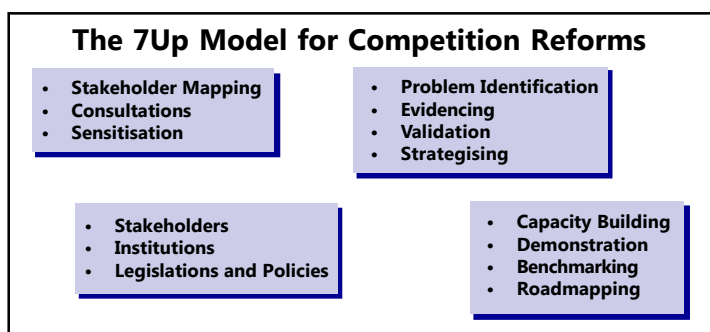
(http://www.cuts-citee.org/pdf/Briefing_Paper16-Stakeholder_Consultation_in_FTA_Negotiations-Why_Bother.pdf)

Competition Reform in Developing Countries: Bottom-Up Approach

The effectiveness of competition law depends on the extent to which the law has actually evolved in a country in tandem with socio-economic and historical developments in that country. **It is necessary that there be some amount of acceptability and ownership of the law among stakeholders**, which is possible only if their concerns are taken into consideration and their capacity is built to the point where they can effectively participate in the enforcement process.

A successful model: comparisons between developing country experiences from a wide variety of local stakeholders to understand their competition regimes and explore reasons for successes and failures. This knowledge can be utilised by local organisations for undertaking advocacy and capacity building through workshops to promote a culture of competition as well as to identify champions therein to continue the effort. This develops ownership and enhances sustainability of the movement for effective competition regimes.

<http://www.cuts-ccier.org/7Up-model.htm>

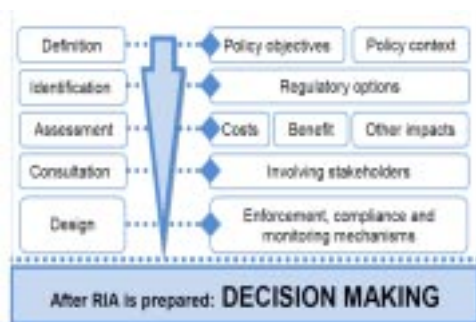


The process of competition enforcement is fairly weak across many developing and least developed countries, and needs to be strengthened to ensure that competition reforms lead to measurable and demonstrable welfare gains. For resources to be made available to implement competition reforms in these countries, **it is necessary that an approach is adopted which demonstrates the benefits of competition, on consumers and producers, to the policymakers through inclusive dialogue with key stakeholders (both state and non-state actors)**, supplemented by capacity building.

<http://www.cuts-ccier.org/crew/>

A Participatory Approach to Assess Impact of Regulations

Regulatory instruments such as policies, legislations, rules, and regulations etc. (regulations) have widespread impacts, which affect multiple stakeholder groups in different ways. A sub-optimal regulation has the potential to increase the cost of administration and compliance, raise complexity and uncertainty associated with obligations, and most importantly, limits the likelihood of achievement of its objectives. Therefore, it is of paramount importance to understand the impacts of any regulation, proposed or in operation, to achieve favourable outcomes.



RIA is a process of systematically identifying and assessing the direct and indirect impacts of regulatory proposals and existing regulations, using consistent analytical methods. It involves a participatory approach via public consultation to assess

such impact, determination of costs and benefits, and selection of the most appropriate regulatory alternative.

http://www.cuts-ccier.org/Economic_Regulation.htm, www.cuts-ccier.org/

Unfair Trade Practices in Select ASEAN Countries

Unfair trade practices encompass a broad array of torts, all of which involve economic injury brought on by deceptive or wrongful conduct.

A continuous and inclusive dialogue with relevant stakeholder groups from the government, business, and consumers is required to build awareness and capacity for improvement of the legal and institutional frameworks in ASEAN countries that seek to sustain a fair business environment therein and ensure equitable market outcomes in the long run.

<http://utp.cuts-hrc.org/>

<http://cuts-hrc.org/en/>