

# SMALL STEPS...GIANT LEAP

## *CUTS Initiatives in South Asia*

(Revised, January 2013)

Since mid 90s CUTS has been working for fostering peace and prosperity in South Asia through better economic cooperation. Through policy research, advocacy, networking and partnership with non-governmental organisations, CUTS is advocating that consumers in South Asian countries are suffering most on account of cost of economic non-cooperation.

The Vision of CUTS provides directions for the next 25 years of CUTS operations. [http://cuts-international.org/pdf/CUTS\\_IN\\_2034-A\\_VISION\\_DOCUMENT.pdf](http://cuts-international.org/pdf/CUTS_IN_2034-A_VISION_DOCUMENT.pdf). While CUTS core areas of operation would continue to be trade and development, regulation and governance there would be an increase in emphasis within these core areas on issues such as environmental sustainability and food security. The relevance of these issues in CUTS' agenda has risen as these issues assume progressively greater significance in the discourse on national development in many developing and least developed countries (including South Asia) as well as the global developmental discourse.

In 1995, CUTS was instrumental in bringing together a number of like-minded organisations from five South Asian countries (Bangladesh, India, Nepal, Pakistan and Sri Lanka) into a common platform to form a network: South Asia Watch on Trade, Economics & Environment for conducting joint activities on various aspects of trade and regulatory issues.

### Objectives

- **Applied/Action Research:** To conduct research on specific issues identified with local partners and disseminate findings to a large audience, including policymakers and international communities
- **Advocacy:** Influencing policy making at the national and regional level on issues relating to trade regulation and governance.
- **Networking and Capacity building:** To build capacity of NGOs, media and academia on issues relating to liberalisation and globalisation including the functioning of the multilateral trading system, environment, food security and economics
- **Awareness Generation:** Informing, educating and provoking actions from relevant stakeholders through publications on various issues related to liberalisation, globalisation, multilateral trading system, regional cooperation, environment and economics

### Achievements

Over the years, CUTS has developed a formidable reputation for conducting policy research and networking. For instance, CUTS and its partners are advocating with trade and other economic ministries and political leadership of these countries highlighting peace dividends that better economic cooperation can generate and

articles are regularly written in popular press in the region to generate greater awareness about positive externalities of better economic cooperation.

A study entitled, Liberalisation and Poverty: Is there a Virtuous Circle? was done at the South Asian level (in India, Pakistan and Bangladesh) for Department for International Development (DFID), UK and used as an input for the World Bank's World Development Report 2000-01 whose focus was on poverty.

Another study entitled, Cost of Economic Non-cooperation to Consumers in South Asia was conducted by CUTS to analyse the consumer welfare impacts of regional trade liberalisation in South Asia. This study was well received for its insights into potential consumer welfare gains from enhanced intra-regional trade.

*"I congratulate CUTS International, India and its partner like-minded organisations in other South Asian countries on timely initiatives and hope that they will spur enhanced regional integration".*

**Shivshanker Menon**  
National Security Adviser, Prime Minister's Office, New Delhi, India

## PROJECTS IMPLEMENTED

- Field Study Research in South Asia: Conditions Necessary for the Liberalisation of Trade and Investment to Reduce Poverty**  
 Identified a set of conditions, which if, satisfied, would help in creating a system that would transmit benefits of trade and liberalisation to the poor  
[www.cuts-international.org/no-7-99.pdf](http://www.cuts-international.org/no-7-99.pdf)
- Competition Policy and Law**  
 A Comparative Study of Competition Regimes in seven selected countries of the Commonwealth including Pakistan, Sri Lanka and India in South Asia, and Advocacy and Capacity Building on Competition Policy and Law in Asia for selected countries in Bangladesh, Nepal and India in South Asia  
[www.cuts-ccier.org/7Up-model-en.htm](http://www.cuts-ccier.org/7Up-model-en.htm)
- South Asian Civil Society Network on International Trade Issues**  
 Undertook comprehensive analysis of trade policy issues of interest to South Asian countries and created a network of research institutions and CSOs to respond to emerging issues on the multilateral trading platform  
[www.cuts-citee.org/SACSNITI](http://www.cuts-citee.org/SACSNITI)
- Linkages between Trade, Development & Poverty Reduction**  
 Explored linkages between trade, development and poverty reduction by conducting perception analysis of relevant stakeholders and lobbying for enabling policy and practice changes  
[www.cuts-citee.org/tdp](http://www.cuts-citee.org/tdp)
- Mainstreaming International Trade into National Development Strategy: A Pilot Project in Bangladesh and India**  
 Addressed a major problem of trade policy-making and its implementation in developing countries, i.e. the problem of social exclusion. Through collection of data/ information from grassroots and their analysis, it addressed several questions  
[www.cuts-citee.org/mainstreaming/index.htm](http://www.cuts-citee.org/mainstreaming/index.htm)
- Capacity Building of Electricity Reforms in Bangladesh, India and Nepal**  
 Enhanced the capacity of consumers to better understand the regulatory process involved in electricity reforms – enabled them to take up action-oriented research and policy advocacy in the electricity sector  
[www.cuts-ccier.org/RESA/index.htm](http://www.cuts-ccier.org/RESA/index.htm)
- WTO Doha Round & South Asia: Linking Civil Society with Trade Negotiations**  
 Promoted incisiveness in trade policy making in five select South Asian countries and provide inputs to arrive at a possible common South Asian negotiating position in regard to the Doha Development Round of the WTO. Two phases have been completed successfully and the third is in progress  
[www.cuts-citee.org/SAFIT-III](http://www.cuts-citee.org/SAFIT-III)
- Impact of Climate Change and Food Insecurity on Poverty**  
 Assessed the perceptions of stakeholders, especially small and marginal farmers, about the need for financial and technological measures based on intra-regional/international cooperation for mitigating the adverse impact of climate change on food security  
[www.cuts-citee.org/CCFS](http://www.cuts-citee.org/CCFS)
- Capacity and Skills Development on Competition Law & Policy in Bangladesh**  
 Aimed at developing adequate capacities within the government, academia, private sector, civil society, media and other key stakeholders to analyse and address competition related issues
- Cost of Economic Non-Cooperation to Consumers in South Asia**  
 Analysed reasons for economic non-cooperation among South Asian countries and assessed the costs thereof in terms of loss of consumer welfare and derived recommendations for minimising such welfare loss  
[www.cuts-citee.org/COENCOSA](http://www.cuts-citee.org/COENCOSA)
- Trade Facilitation Needs Assessment in South Asia**  
 Explored and analysed trade related issues other than the tariff related barriers that impact export and import from the Eastern Sub-Region of South Asia comprising of the select countries viz. Bangladesh, Bhutan, India (West Bengal) and Nepal.  
[www.cuts-citee.org/tf.htm](http://www.cuts-citee.org/tf.htm)



## ONGOING PROJECTS

- **Promoting Participating Approaches for Removing Regional Trade Barriers in South Asia**

Generate better political buy-in for enhanced and improved intra-regional trade in South Asia by conducting focused advocacy for removal/ harmonisation of customs-related and other procedural non-tariff barriers targeting key stakeholder groups  
[www.cuts-citee.org/COENCOSA-Phase-II](http://www.cuts-citee.org/COENCOSA-Phase-II)



**The Asia Foundation**

- **Addressing Barriers to Rice Seeds trade between India and Bangladesh**

Address trade and trade-related regulatory challenges in cross-border rice seeds trade between India and Bangladesh and also to create the enabling conditions for learning about seeds trade, not only in rice, but also for other important crops in South Asia  
[www.cuts-citee.org/RISTE](http://www.cuts-citee.org/RISTE)

**BILL & MELINDA GATES foundation**

- **Community of Practice on Social Accountability**

Bring an opportunity to integrate the potential and create a platform where practitioners of social accountability can learn more and spread learning through sharing, innovating, building capacity through online and offline meeting opportunities and enriching experiences of social accountability work  
[www.copsa.in](http://www.copsa.in)

**ANSA**  
SOUTH ASIA REGION

## CUTS Initiatives on Good Governance

CUTS has established its position as a major player in the South Asian region through deriving, testing and utilising social accountability approaches and tools and is well equipped to work as a resource agency. The organisation is partnering with several international agencies such as the World Bank, Partnership for Transparency Fund, Results for Development, Affiliated Network for Social Accountability-South Asia Region etc. in the work for improving public expenditure outcomes and enhancing transparency in flagship welfare schemes/sectors and now entering in the area of public procurement.

Having associated with several networks such as South Asia Social Accountability Network, Demand for Good Governance Learning Network and International Budget Partnership, the organisation is also playing active role in developing various resource kits and curriculum on social accountability.

## PUBLICATIONS



### Book

- Building Peace through Trade: *The Future of Indo-Pak Relations*

### Research Reports/Discussion Papers

- Climate Change and Food Security in South Asia
- Consumers and Non-cooperation: Cost of Economic Non-cooperation to Consumers in South Asia
- India's Experiences on Preferential Trade Agreements
- Anti-competitive Practices in Nepal
- Agriculture Liberalisation and its Impact on South Asian Countries
- SPS and TBT: Present Status and Future Concerns for South Asia
- Child Labour in South Asia: Are Trade Sanctions the Answer?
- TRIPs and Public Health: Ways Forward for South Asia
- Competitiveness of Service Sectors in South Asia: Role and Implications of GATS
- FDI in South Asia: Do Incentives Work? A Survey of the Literature
- WTO Agriculture Negotiations and South Asian Countries
- Movement of Natural Persons and South Asian Countries

### Monographs

- Globalisation: South Asian Perspective
- Services Trade and Investment Liberalisation, and Domestic Regulation: A Summary of Six Country Case Studies

### Briefing Papers

- The Trans-Pacific Strategic Economic Partnership - Will it divide the Asia-Pacific?
- Indo-Pak Trade - A Visit to Historical Relations
- A Note on India-Kazakhstan Trade and Investment Relations
- India ASEAN FTA - A Move towards Multilateral Free Trade Agreements?
- India should go for FTA with the Central Asian Countries
- African Regional Integration: Turning a Dream into a Reality
- SAARC and BIMSTEC – Understanding their Experience in Regional Cooperation
- 'Energising' India's Development through Economic Diplomacy
- Informal Trade in South Asia: How to channelise to a formal route?
- Cost of Non-Cooperation in South Asia

For more information, please visit: [www.cuts-international.org](http://www.cuts-international.org)





A successful integration can make South Asia a magnet for vastly enhanced foreign investment and lead to a restructuring of the economies, making the region one of the fastest growing and most competitive economic blocs. CUTS has its own distinctive profile by virtue of being basically a CSO. This has enabled it to carve out a special niche in the areas of advocacy and networking.

*Muchkund Dubey  
Former Foreign Secretary of India*



CUTS had developed from a small consumer group to an international organisation, addressing and dealing issues related to trade policy, sustainable development, North-South cooperation and conflicts, among others. CUTS has emerged as a leader in these areas in the developing world. On the international front, it has received recognition as an effective research and advocacy group.

*Ratnakar Adhikari  
Executive Chairman, SAWTEE, Kathmandu*



South Asian countries have a huge stake in the Doha Round of multilateral trade negotiations. Unlike many other regions, there is not much coordination between and among South Asian countries in collectively putting their demands on the negotiating table. CUTS has done a commendable job in highlighting issues on which these countries have common interest and in bringing together state and non-state actors in the process of trade policy-making and trade negotiations.

*Atiur Rahman  
Governor, Bangladesh Bank*



On CUTS activities, I would like to make a special mention of the 7Up project. I found the goals of interactive research, advocacy, taking developing country competition policy/consumer protection issues to international forum/level via informal and formal channels most impressive. CUTS strength lies in cross-country network and research capability.

*Saman Kelegama  
Executive Director  
Institute of Policy Studies, Sri Lanka*



CUTS is among the pioneers of regional collaboration of policy think-tanks in South Asia. SDPI and CUTS partnership is a practical example of promoting peace between Pakistan and India through research on challenges facing both countries. When it comes to future challenges, CUTS is competing with itself and self competition is always difficult.

*Abid Qaiyum Suleri  
Executive Director, Sustainable Development Policy Institute, Pakistan*

### Six Decades after Separation

*The News, Pakistan, June 13, 2010*

A lowering of barriers to formal trade will not only result in formalisation of current informal trade but also encourage hitherto unengaged players. The lethargy and animosity of the past six decades calls for sustained efforts by business leaders to continue building interest and alliances.

### A step for Indo-Pak trade normalisation

*The News, Pakistan, February 05, 2012*

The forthcoming visit of Indian Commerce Minister to Pakistan on February 13 is likely to make way for developing a sustainable model of bilateral trade. The SAARC Summit has asserted the cooperation.

### Indo-Pak engagement needs strategic depth

*The Financial Express, April 10, 2012*

With Pakistan's cabinet approving the negative list approach with a commitment to grant the much-hyped most-favoured-nation (MFN) status to India by late 2012, bilateral trade and economic relations get a boost.

### Why boost India-Pakistan relations

*The News, Pakistan, October 23, 2011*

Both Pakistan and India are members of the World Trade Organisation and also of the South Asia Free Trade Agreement. The WTO agreement requires each member state to grant Most Favoured Nation status to all other members to facilitate smooth...

### Why we must normalise Indo-Pak trade

*The Financial Express, February 14, 2012*

The Indian commerce minister's visit to Pakistan is likely to help develop a sustainable model of bilateral trade. In order to have a comprehensive and deeper engagement, both countries need to focus on several issues...

## Partners in Development



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