

Welcome Address by Dr. Saman Kelegama, Executive Director, Institute of Policy Studies of Sri Lanka (IPS) at the Fourth Poverty and Economic Policy General Meeting, Hotel Galadari, Colombo, 13 June 2005.

Hon. Sarath Amunugama, Minister of Finance and Planning, Hon. Wiswa Warnapala, Deputy Minister of Foreign Affairs, Celia Reyes, Poverty and Economic Policy (PEP) – Co-Director, Community-Based Poverty Monitoring (CBMS) Network, John Cockburn, PEP Co-Director, Modeling and Policy Impact Analysis (MPIA) Network and the Poverty Monitoring , Measurement, and Analysis (PMMA) Network, Evan Due, Senior Regional Programme Specialist and Micro Impacts of Macroeconomic and Adjustment Policies (MIMAP) Team Leader, International Development Research Centre (IDRC), representatives from partner organizations, distinguished foreign and local participants, distinguished invitees, members of the media, Ladies and Gentlemen.

It gives me great pleasure to welcome all of you to this 5 day International Conference of the Poverty and Economic Policy Network. We in Sri Lanka are delighted to host the Fourth PEP General Meeting in Colombo after Saly, Senegal last year and Hanoi Vietnam in 2003. For this event, the Institute of Policy Studies of Sri Lanka joined hands with the International Development Research Centre (or the IDRC), Canada, Angelo King Institute, De La Salle University, Philippines, and the University of Laval, Canada.

We are honoured to have with us the Hon. Minister of Finance as the Chief Guest and the Deputy Minister of Foreign Affairs as the Guest of Honour. I extend a warm welcome to them for being present here despite their busy schedule especially at this turbulent juncture in the country. I also welcome Co-Directors of the PEP, Ceilia Reyes and John Cockburn, and the Senior Regional Programme Specialist and MIMAP Team Leader, Evan Due.

For all other participants I extend a warm welcome. I extend an especial welcome to approximately 150 foreign delegates from over 40 developing countries – from Asia, Africa, and Latin America who are gathered here today. I know that some of you have

come to Colombo from a long distance, which means breaking rest, spending long transit times at various airports, and above all long hours of traveling. I hope that the jet lag or jet fatigue – whatever you might like to call it – is over and you are fresh for intense 5 days serious discussions on the concerned topics. Colombo has a lot to offer you, so please make use of the free time to visit some places that may be of interest to you and familiarize yourself with this part of the world. Our staff in the main desk as well as the hotel staff will be ready to help you in this regard.

The Institute of Policy Studies has been working closely with the MIMAP/PEP networks since 1998. Phase I of the ‘MIMAP - Sri Lanka’ project commenced in September 1998 with the funding of the IDRC. The research programme under Phase I of the project basically aimed at filling perceived gaps in information and knowledge regarding the impact of macroeconomic and adjustment policies on the welfare of the poor and the channels of transmission through which macro policies reach the micro level. The research took more of a multidimensional rather than a purely economic approach.

In Phase 1 of the Project, the studies undertaken sought to obtain a clear and comprehensive picture of the information already available within Sri Lanka on macroeconomic policy reforms and their impacts on welfare. The information surveyed included the literature on policy and welfare, data available for poverty analysis, and macro economic models of the Sri Lankan economy. A series of Working Papers were produced under this initial phase.

The project also gave an initiative for the preparation of the IPS web page and building a national repository unit for material on poverty-related issues in the library of the Institute. The MIMAP work also helped raising the profile of the Institute on poverty studies.

With the completion of MIMAP-Sri Lanka Phase I in 2001, MIMAP-Sri Lanka Phase II commenced in June 2002. The overall objective of this Phase II was to fill the gaps in information and knowledge on poverty measurement and monitoring and on approaches

to poverty alleviation in Sri Lanka, and suggest new policy tools to measure, monitor and fight poverty or make improvements in the existing policy tools.

The Phase II of the MIMAP-Sri Lanka project includes three main studies: (1) A study aimed at formulating a more comprehensive poverty index than what is currently used by the welfare programmes; (2) A study to design and pilot a model of low-cost and easy-to-sustain information system on poverty, in other words, a Community Based Poverty Monitoring System (CBMS), and (3) A study to assess the capacity and the opportunities of the microfinance sector to reduce poverty in Sri Lanka.

With our involvement in the two phases of the MIMAP, the IPS research team participated in number of international conferences and training programmes funded by IDRC during the last eight years. Our researchers participated in a MIMAP conference in Nepal and they also participated in the Second and Third Annual conferences of the Poverty and Economic Policy (PEP) Network in Vietnam, and Senegal.

I must also mention here that our involvement with IDRC funded projects is not confined to MIMAP and PEP. This year, the IPS became the focal point in Sri Lanka or in other words, a member of the Institutional Advisory Board of the newly created network by IDRC funding called ARTNET (Asia-Pacific Research and Training Network on Trade). We have already embarked to provide leadership and coordination of a project titled: Agricultural Trade Liberalization Trends in Asia and the Pacific and their Implications for Policy Makers and Negotiators. The objective of the study is to map and analyze existing trade agreements in the region and their product coverage, with a focus on agricultural products and associated tariff and non-tariff barriers to derive implications and recommendations / guidelines for trade policy and negotiations.

Ladies and Gentlemen,

Poverty and Economic Policy Research Network plays an important role by bringing together and providing technical and financial support to researchers from developing

countries, who are working on poverty. The three sub-networks of PEP, 'Poverty Monitoring, Measurement and Analysis' (PMMA), Modeling and Policy Impact Analysis (MPIA) and Community-Based Monitoring Ssystems (CBMS) can largely contribute to poverty reduction strategies, policies and programmes. PEP network plays a vital role in global poverty reduction by promoting the understanding of the causes and consequences of poverty, proposing alternative/accompanying policies for reducing poverty, and improving the monitoring and measurement of poverty in developing countries. Further, the network's effort in developing and strengthening local research capacity in poverty monitoring and analysis, and developing new concepts and methodologies through research activities is very important. Such activities at local levels will undoubtedly help identifying location-specific problems and priorities and designing policies and programmes with community participation at sub-national levels.

I am certain that the proceedings/discussions and debates at this meeting will make a contribution towards these ends and thereby enrich policies designed to address poverty - which is the most pressing problem for developing countries today.

Let me once again welcome you and wish you a very pleasant stay in Sri Lanka.

Thank you.