



**INTER-AMERICAN DEVELOPMENT BANK**  
**1300 New York Avenue, NW**  
**Washington DC**

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**REGIONAL POLICY DIALOGUE**  
**First Meeting of the Poverty Reduction and Social**  
**Protection Network**

**June 11 and 12, 2001**

**Poverty and Inequality Unit (SDS/POV)**  
**Sustainable Development Department**

**PRESENTATION**

Poverty reduction is one of the main challenges of Latin America and the Caribbean countries. In the Final Declaration of the Summit of the Americas in Quebec, signed on April 22, 2001, the Heads of State and of Government of the Americas committed themselves to make additional efforts to achieve the international objective of reducing the proportion of people living in extreme poverty by 50% by the year 2015.

In Latin America and the Caribbean, more than one third of the population lives in extreme poverty (with less than 2 dollars per day in purchasing power parity). Although the incidence of poverty declined in the 1990s, the number of poor increased and the proportion of poor people is still higher than that of 1980. In addition, countries that have experienced economic crises and natural disasters have seen fast and high increases in the incidence of poverty, which partly explains why progress has been relatively slow and show the great vulnerability to which large groups of the population are exposed.

The IDB adopted poverty reduction and promotion of social equity as one of its main mandates at its Eighth Resource Replenishment and in its Institutional Strategy. With a view to achieving this objective, the Bank offers the countries of the region credit support for programs aimed at reducing poverty and a broad set of non-financing activities such as the Regional Policy Dialogue, an initiative of the Board that sponsors the Poverty Reduction and Social Protection Network.

The objective of this Network, coordinated by Nora Lustig, Senior Adviser and Chief of SDS/POV, is the creation of a forum where the countries of the region can share experiences, learn about practices carried out outside the region and explore opportunities for regional cooperation in the areas of poverty reduction and social protection. The Network is made up of a government representative from each country of the region holding the highest technical rank and with experience in the design and implementation of poverty reduction policies and programs.

At the preparatory meeting of the Network carried out in October 2000, it was agreed that the main theme for the first round of activities of the Network would be the institutionalization of the social protection systems in the region. This subject is of

special importance to Latin America and the Caribbean because in the last two decades the poor of the region have suffered a series of adverse shocks, such as macroeconomic crises and natural disasters, that have reduced their income and accentuated their poverty.

The first formal meeting of the Network will take place on June 11 and 12, 2001 at the headquarters of the IDB in Washington, D.C. with the participation of Prof. Amartya Sen, Nobel Prize in Economics, in a session where the development experience of India and other Asian countries will be discussed and compared and lessons will be drawn for Latin America and the Caribbean. In addition, there will be presentations by Prof. Jere Berhman, University of Pennsylvania, on the experience in targeting social protection programs, and by the Center of Studies for Institutional Development, University of San Andrés, Argentina, on an inventory of social protection and poverty alleviation programs in the region.

These short presentations will guide the broad dialogue among members of the Network. The subjects and presentations included in the agenda were prepared on the basis of suggestions made by members of the Network at the preparatory meeting last October. The meeting will also dedicate a full session to define, among other subjects, the future work program of the Network, the agenda of the next meeting, the necessary background studies, and the election of the President of the Network by its members.