



**Modeling Policy and Impact Analysis (MPIA)
and
Poverty Monitoring, Measurement and Analysis (PMMA)
Research Networks**

Activity Report for Year 2 of Phase 2

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C I R P É E

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ACRONYMS

AKIEBS	Angelo King Institute for Economic and Business Studies (De la Salle University, Philippines)
AUF	Agence Universitaire de la Francophonie
BNPP	Bank-Netherlands Partnership Program
CBMS	Community-Based Monitoring Systems (PEP subnetwork)
CGE	Computable General Equilibrium
CIRPEE	Centre Interuniversitaire sur le Risque, les Politiques Économiques et l'Emploi (Université Laval, Canada)
DAD	Distribution Analysis/Analyse Distributive
DFID	Department For International Development (Government of the United Kingdom)
GTAP	Global Trade Analysis Project
IDRC	International Development Research Centre
JRI	Joint Research Initiative
MPIA	Modeling Policy and Impact Analysis (PEP subnetwork)
PEP	Poverty and Economic Policy research network
PMMA	Poverty Monitoring, Measurement and Analysis (PEP subnetwork)
UNECA	United Nations Economic Conference for Africa
WIDER	World Institute for Development Economics Research
WTO	World Trade Organization

1. Overview

This report presents the activities undertaken during the second year of the second phase (October 1st 2005 – September 30th 2006) of the Poverty and Economic Policy (PEP) research network for the two subnetworks that are managed directly by the Centre Interuniversitaire sur le Risque, les Politiques Économiques et l'Emploi (CIRPÉE): that is, the Poverty Monitoring, Measurement and Analysis (PMMA) and the Modeling and Policy Impact Analysis (MPIA) networks. As PEP is run in collaboration with the Angelo King Institute for Economic and Business Studies (AKIEBS), which manages the Community-Based Monitoring Systems (CBMS) network, the report also covers a number of PEP-wide activities undertaken jointly with AKIEBS. The PEP network is funded by the International Development Research Centre (IDRC). Separate reports are available on the PEP web site for the first phase of the PEP network and the first year of the second phase. A selection of appreciations of the PEP network by researchers and others is available through a link on the PEP home page: [What PEP researchers and others have to say about the PEP network!](#)

This year was characterized by a number of important developments:

1. PEP has made major strides in the **devolution** PEP direction and network leadership activities to the South. In particular, PEP's African Office in Dakar (Senegal) was re-opened and has taken responsibility for the overall administration of the network. A number of other administrative and scientific tasks have also been devolved to the South.
2. A wide variety of **dissemination** activities were aimed at policy makers, academics and other stakeholders in the international and national poverty debates. 30 PEP researchers presented their research in international conferences, 19 new working papers were published, and 2 national policy conferences were organized.
3. PEP has initiated a large number of **resource expansion and diversification** activities, notably a number of joint research initiatives.
4. PEP's overall **research output** increased substantially. This year's call for proposals attracted more than 250 proposals (up from 150 proposals last year) of which 22 were presented at our June 2006 general meeting, generally after one or more revisions, 19 were selected for funding, one has been postponed and two are under revision (see Annex 3). A total of 28 final reports were presented at the June 2006 PEP meeting and 17 PEP researchers participated in study visits at Laval University and six other institutions.

2. Presentation of the PEP-CIRPÉE team and the PEP steering committees

The PEP-CIRPÉE project office is headed by **co-director John Cockburn** and the MPIA and PMMA **network leaders, Bernard Decaluwé** and **Jean-Yves Duclos**. John works on a three-quarter basis to oversee all aspects of the office. The network leaders allocate the equivalent of one working day per week and a share of their discretionary time to provide scientific guidance to their respective networks. In particular, they identify thematic priorities, evaluate all proposals and reports, and coordinate the scientific support and research activities of their respective networks.

This year, major efforts were made to devolve PEP direction and network leadership activities to the South. Long-time collaborator **Ismaël Fofana** was hired as **deputy co-director** to assist in the overall management of the PEP network and the establishment and expansion of its African office. Ismaël is also a member of the MPIA resource person team. Over the last five years, Ismaël has been developing training material and conducting training workshops on the impact of macroeconomic policies and shocks on income distribution and poverty in developing countries. He also provides scientific and technical support to MPIA researchers, particularly in the areas of integrated CGE microsimulation analysis (in which all households from a nationally representative household survey are individually modeled within a CGE model of a whole economy), gender modeling, and data manipulation for reconciling national accounts and household surveys.

Summary of PEP objectives

The overriding goal of the Poverty and Economic Policy (PEP) network is to assist in building research capacity for developing countries to reduce poverty through better macroeconomic policies and micro-level interventions. Specific objectives are to:

- To support applied and high quality research on links between economic policy and poverty as a means to strengthen the capacity of developing countries to understand the causes and consequences of poverty, as well as the welfare implications of macroeconomic policies and poverty reduction programs.
- To improve the monitoring and measurement of poverty in developing countries through the development of new, as well as tailored and sharpened, concepts and methodologies that better capture the nature, extent, and depth of poverty at the local as well as national levels.
- To enhance the capacity of developing country researchers and practitioners in the modeling, measurement, analysis, and monitoring of poverty.
- To offer alternative or accompanying policies to reduce poverty where feasible
- To build a network of researchers, experts, practitioners and policy makers by linking research projects whenever possible to larger on-going development initiatives and through a training, capacity building and mentorship programs.

In order to pursue these objectives, PEP applies a strategy with the following main components:

- Bring together and encourage interaction and collaboration within a critical mass of researchers working on common issues.
- Develop new research methodologies, training materials and recommended reading lists and make these available to PEP researchers through the PEP website and other means.
- Encourage comparative analyses across countries and teams.
- Provide systematic and focused training and technical assistance.
- Increase the visibility of the networks and researchers through support to consultation and dissemination activities with national and international policy analysts and stakeholders.
- Interact and share knowledge with related national and international initiatives.

The PEP network is composed of three tightly linked networks. The Community-Based Monitoring Systems (CBMS) network designs and pilots community based monitoring and local development systems of poverty in its multidimensional sense. The Poverty Monitoring, Measurement and Analysis (PMMA) network develops and applies tools to monitor, measure and analyze a wide range of poverty issues. The Modeling and Policy Impact Analysis (MPIA) network uses economy-wide models and analysis as a "laboratory" to draw the links between specific macro-economic policies and shocks and their impacts on poverty.

The **PMMA** network seeks to develop high-quality national and comparative research, capacity, and new concepts and methodologies in measuring, monitoring and analyzing poverty. In particular, this network focuses thematically on, inter alia:

- Multidimensional poverty analysis;
- The impacts of public spending on poverty and equity;
- Poverty dynamics;
- Intra-household allocation of well-being;

The **MPIA** network aims to develop high-quality national and comparative research, capacity, and new concepts and methodologies in the modeling and assessment of the impacts of macroeconomic policies and shocks on poverty and equity at the household and intra-household levels. Thematically, this network focuses on the poverty impacts of:

- Different growth patterns and policies
- The level and composition of public spending, particularly on health and education,
- Changes in sectoral conditions and policies, notably in agriculture and textiles & garments,
- Globalization (e.g. trade reform, technology diffusion, migration, remittances, foreign investment, etc)
- Labor market conditions and policies.

The PMMA network identified three **deputy network leaders** on thematic grounds. Deputy network leaders participate in the reviewing process of PEP proposals, reports, and working papers, as well as providing scientific and technical support to PEP projects. **Jean-Bosco Ki** of Senegal focuses on projects dealing with multidimensional poverty analysis in close collaboration with Louis-Marie Asselin. Jean-Bosco led one of the first teams to complete a PEP-funded research project. **Sami Bibi**, who was *maître de conférence* at the Faculté des Sciences Économiques et de Gestion of the University of Tunis, recently moved to Quebec City with his family. He is now a full-time researcher at CIRPÉE (Université Laval), where he devotes part of his time to the PEP network. Sami is responsible primarily for research on poverty measurement and the impacts of public spending, and is also helping to guide and encourage PEP researchers to participate in international conferences. **Abdelkrim Araar**, who is based at Laval University, is responsible for providing overall scientific support to the PMMA network. Abdelkrim has long been the principal PMMA resource person involved in designing and conducting training activities, developing training material, conducting fundamental research, providing distance support to PMMA researchers, commenting proposals and reports, developing the famous DAD software and providing support for the PEP web site, among other things. The MPIA network has opted for a geographic separation of network leadership. **Ramon Clarete**, a very well-known researcher in Asia and member of the MPIA steering committee, has accepted to act as deputy MPIA network leader with special responsibility for the development of the research agenda for Asian Countries. Similarly, **Touhami Abdelkhalek**, longtime collaborator of the PEP network and member of the MPIA steering committee, has also accepted to play this role for Africa and, in particular, for francophone researchers.

In addition to its deputy network leaders, the MPIA network benefits from the part-time support of a **research professional**, **Véronique Robichaud**, who works on a part-time basis, primarily to provide technical support for PEP researchers, to develop training material and to conduct fundamental research related to PEP themes. **André Lemelin**, a well-known researcher based in Montreal, has also recently joined the MPIA scientific support team to provide support to researchers in Latin America. André is a long-time CIRPÉE collaborator and author of numerous articles and books on a wide variety of development topics, including a recent Spanish-language book "*Quantitative Methods of Social Sciences Applied to Urban and Regional Studies*". He is fluent in Spanish and has lived for extended periods in Mexico and travelled to many other countries in Latin America.

Four **graduate students** also worked on a part-time basis for the project. **Manon Langevin** is doing a M.A. thesis on robust multidimensional poverty analysis under the supervision of John Cockburn. She is also providing research assistance on a project by John, Anyck Dauphin and Mohamed Razzaque on child poverty in Bangladesh, as well as acting as a teaching assistant for the course John is teaching graduate students on poverty analysis. PEP researcher **Nitesh Sahay** began his PhD in Economics at Laval on modeling health issues in India, but had to suspend his studies in the course of the year for family reasons. PEP researcher **Erwin Corong** arrived in Quebec in May to begin his PhD studies at Laval. Both Nitesh and Erwin began their visits at Laval with intensive French-language training and both provided assistance to visiting study visitors and distance support to other PEP researchers. **Agnès Zabsonré** and **Yélé Betana** are both conducting PhD studies at Laval on poverty-related issues. **Anne Briand**, who is pursuing a PhD program at the University of Rouen (France), provided support to PEP study visitors during her four-month stay at Laval University.

PEP's **administrative team** has expanded and substantially devolved to the South. **Sonia Moreau**, PEP Administrative Officer, has decided to fulfil her dreams this summer by pursuing her studies in the field of 3D animation. We thank her for the major contributions she made to the establishment of PEP's administrative system and website and wish her the best of luck in her new career. Given the critical role she played in the PEP Network, her departure obviously called for the reorganization of the MPIA-PMMA administrative team. **Aissatou Diop**, who is based in our Dakar

Africa Office in Senegal since the Fall of 2005, has taken up the responsibility for the general administration of the MPIA and PMMA Sub-Networks, while also providing administrative support to the CBMS Sub-Network for its activities in Africa. After having spent one year working for the PEP Network on a part-time basis, **Évelyne Joyal** has since this summer, become a full-time employee in our CIRPÉE Office at Quebec (Canada) and is in charge of all special activities within the PEP-CIRPÉE office (PEP-Talk, study visits, etc.), while assisting Aissatou with the overall administration. **Gaétane Marcoux**, who has been working part-time as our Financial Secretary since the establishment of the PEP Network in 2002, now benefits from the support of **Martine Frenette** as a part-time assistant who joined us early May this year. **Johanne Perron** works part-time to help with Internet and documentary issues. Gaétane and Johanne's salaries are paid entirely by Laval University. PEP also benefits from a team of translators/interpreters – **Thérèse Priso**, **Benjamin Mbeng** and **Pierre Tonye** – based in Cameroon who are in charge of translating PEP working papers, newsletters and other documents. Thérèse and Benjamin also acted as simultaneous interpreters at our June 2006 general meeting. Finally, PEP working papers are edited by the AKI project office (English) and **Boubacar Diao** at our African office (French).

A number of **external resource persons** also play important roles in the PEP network. In addition to his extensive work for the CBMS network, **Louis-Marie Asselin** provided substantial support to PMMA researchers at PEP general meetings, during study visits at Laval and by email, as well as working on the preparation of a book bringing together a number of PEP studies on multidimensional poverty. We would also like to underline the important role of the following group of external evaluators of PEP proposals, reports and working papers, largely composed of PEP researchers based in the South: Nisha Arunatilake, Maria Laura Alzua, Milton Ayieko, Patrick Birungi, Dorothée Boccannuso, Ronelle Burger, Yazid Dissou, Habiba Djebbari, Abdelrahmen El Lahga, Hyacinth Ementa Ichoku, Borel Foko Tagne, Ignacio Franceschelli, Veronica Frisancho, John Giles, Dileni Gunewardena, Bjorn Gustafsson, Doreen Isoke, Guy Lacroix, Boévi Kouglo Lawson-Body, Hazel Malapit, André Martens, Diene Mbaye, Damien Mededji, Christophe Muller, Milu Muyanga, Jade Eric Redoblado, Lucas Ronconi, Sudip Kumar Sinha, Jasmin Suministrado, Martin Valdivia, Sangui Wang, Xiuqing Wang, Ximing Yue.

The PEP network also benefits from the guidance of **steering committees** for each component network, which are then brought together to form the overall PEP steering committee. The Addis Ababa meeting was also marked by the replacement of three PEP steering committee members who had arrived at the end of their second mandates. The departing members – Chris Scott, Randy Spence and Louis-Marie Asselin – were warmly thanked for their excellent services to the network, which counts on their active participation in its entire activities. A welcome message was also addressed to the incoming members of the steering committee: Nanak Kakwani (International Poverty Centre), Marie-Claude Martin (IDRC) and Pramila Krishnan (Cambridge University). Also, Swapna Mukhopadhyay was elected as the new president of the steering committee. Each committee is composed of at least one Asian member, one African member and one IDRC-delegated representative:

- **Community-Based Monitoring Systems (CBMS):** Ponciano S. Intal Jr., Martha Melesse, Celia Reyes, Momar Sylla and Pramila Krishnan.
- **Modeling and Policy Impact Analysis (MPIA):** Touhami Abdelkhalek, Ramon Clarete, Bernard Decaluwé, Marzia Fontana, and Marie-Claude Martin.
- **Poverty Monitoring, Measurement and Analysis (PMMA):** Jean-Yves Duclos, Elias Ayuk, Swapna Mukhopadhyay, Nanak Kakwani, Cosme Vodonou

The PEP steering committee normally convenes only at PEP meetings. In the interim, an **executive committee** deals with all strategic issues that arise. The executive committee is composed of the two PEP co-directors (one of which is also the CBMS network leader), the MPIA and PMMA network leaders and, when required, IDRC's officer responsible for the PEP network.

3. Research support activities

A call for MPIA and PMMA proposals was widely publicized in the fall of 2005 in preparation for the June 2006 PEP general meeting. **Over 250 new proposals**, as compared to roughly 150 proposals the year before, were received by the end-November deadline from all regions of the developing world. The selection process was completed in two stages. First, a shortlist of promising proposals was identified by mid-January by the MPIA and PMMA network leaders in consultation with the PEP MPIA-PMMA co-director and, in many cases, taking into account external evaluations requested for this purpose. These teams were provided with detailed comments and invited to submit a revised proposal by mid-February. Final decisions on the teams to be invited to present their proposals at the June 2006 general meeting were taken by mid-March. 24 teams were selected and allowed to make further revisions to their proposals up to a mid-May deadline. As a result of these multiple revisions and the detailed comments and advice provided throughout the process, the proposals presented in Addis Ababa were of exceptionally good quality. Indeed, of the 24 teams that were able to attend, **19 were awarded research grants** (see Annex 1), one was approved but suspended as the team leader is on a one-year stay in Canada, two are still under revision and the remaining two were unable to attend for personal reasons and are likely to be invited anew for the June 2007 meeting.

A total of **14 final reports** were presented at the Addis Ababa meetings. All of these final reports are currently being finalized in working paper format. Two interim reports were also approved. Analysis of these reports (and accompanying technical reports; see section 7) indicate that PEP is very successfully attaining its objectives of producing high quality, rigorous and policy-relevant research while simultaneously building research capacity, notably among less experienced and female researchers.

Since the establishment of the PEP network, 568 proposals have been received and evaluated, of which 350 from Africa, 166 from Asia and the Middle East, 46 from Latin America and 6 from Eastern Europe. Out of these proposals, 68 were selected for funding, of which 28 are completed and 40 are currently under way. 36 of these funded projects were located in Africa, 21 in Asia and 11 in Latin America. Thematically, 30 projects were undertaken in the MPIA network, and 38 in the PMMA network. A wide variety of issues have been addressed in both networks. The MPIA projects have dealt with: the poverty impacts of trade, fiscal, macroeconomic and agricultural policies; health policies; labor markets; gender-disaggregate impacts of trade and macro policies; social security reform; MDGs; education, growth and poverty. Themes for PMMA research include: the poverty effects of public expenditures and taxes; multidimensional poverty analysis; spatial poverty analysis; labor markets, poverty and income distribution; female employment and wages. PEP has also published 26 working papers with 30 others in preparation.

Seventeen study visit grants were awarded to PEP researchers to allow them to carry out a three-week study visit in the institution of their choice in order to complete a draft version of their final report. A key development in this regard is the much greater participation of institutions outside Laval University in hosting study visitors. Six researchers chose to conduct their study visits in outside institutions: University of Winnipeg (Canada), University of Sussex (UK), Warwick University (UK), Middlesex University (UK), WIDER (Finland) and Yale University (USA). This not only varied the input provided to PEP researchers, it also contributed to raising PEP's profile in the international academic environment. Study visitors were all members of teams that had submitted interim reports by the end of November 2005 and judged sufficiently advanced to profit from a study visit. The whole CIRPÉE team was mobilized to work intensively with these researchers on their respective projects. The deputy co-director, Ismaël Fofana, and PEP's administrator, Aissatou Diop, came to Laval University for the full two-month duration of the study visit period and MPIA research professional Véronique Robichaud, who is based in Montreal, made several visits to Laval University during this period. Furthermore, researchers at Laval University could interact among

each other and with Laval professors, students and a number of other visitors, including a group of French PhD students, who were also present at that time, thus enriching the diversity of problems to be addressed as well as furthering the sharing of experiences. According to participants, these visits are extremely useful in furthering their research, as they allow in-depth discussions with researchers and facilitate the resolution of the technical problems which frequently arise.

After Saly (Senegal) in 2004, Africa once again hosted the general meeting of the Poverty and Economic Policy (PEP) research network in Addis Ababa (Ethiopia). This 5th **PEP general meeting** gathered more than 200 participants (PEP-funded researchers, resource persons, invited speakers and representatives of government, NGOs and international institutions) at the United Nations Economic Commission for Africa (UNECA) Conference Center in Addis Ababa from June 18th to 22nd, 2006. The meeting was hosted by the African Center for Gender and Development of the UNECA with which PEP has established a successful partnership over the past few years. Over 50 high-quality reports and proposals were presented during the meeting. The fifth PEP general meeting was a great success with almost all of the research reports and proposals presented receiving the approval of the PEP steering committee. Nanak Kakwani provided the keynote speech on pro-poor growth and labor markets and the meeting also included a special session on child poverty.

A **PMMA training workshop** was also held in Addis Ababa (Ethiopia) on June 16 and 17, immediately before this year's PEP general meeting, on the topic Poverty and Equity: Measurement, Policy and Estimation with DAD. This workshop was conducted by Jean-Yves Duclos and Abdelkrim Araar. The training session made extensive use of the DAD software to illustrate and apply the measurement and policy analysis tools that were presented.

Written comments

The PEP office provides written comments, which are often very detailed in nature, on all documents (proposals, interim reports, final reports and working papers) submitted to the MPIA and PMMA networks. These comments, which cover all aspects of the document (objectives, methodology, presentation, etc.) are posted on the PEP intranet web site and available to all members of the relevant research team, as well as to all members of the PEP steering committee. When submitting subsequent reports, PEP researchers are required to provide a separate annex indicating in detail how all previous comments were taken into account. A large share of detailed comments are now prepared by PEP and other Southern researchers in the context of our devolution process, although PEP staff continue to play an important role and all comments are reviewed by the relevant network leader as well as the CIRPÉE PEP co-director.

The MPIA and PMMA networks have both identified challenging new poverty research areas among their priority themes. To accompany researchers in this process and develop their research capacities, substantial effort has been devoted to **fundamental research** activities and the preparation of related training material. In the MPIA network, fundamental research focused on analyzing the poverty and distributional impacts of growth, CGE microsimulation techniques, gender-disaggregated analysis of macro-poverty linkages and the intra-household allocation of time, and the poverty impacts of public spending (notably on health and education).

In the PMMA network, fundamental research focused on multidimensional poverty techniques, fiscal reforms, targeting, poverty dynamics, chronic and transient poverty, poverty profiles, gender analysis, cost-benefit analysis, education and healthcare provision, equivalence scales, intra-household allocation, inequality, public spending, polarization, accounting for changes in poverty and in inequality, simulating the impact of distributional changes on poverty and inequality, modelling distributive changes with panel data, testing for stochastic dominance, assessing whether growth and fiscal reforms are pro-poor, and upgrading the DAD software. In the

PMMA network, a new version of the popular DAD **software** was prepared with a number of important improvements and accompanying technical notes and exercises (see www.pep-net.org, "DAD software"). The book "Poverty and Equity" was co-published by IDRC and Springer in May 2006. Close to five hundred copies of the book were distributed to IDRC and PEP researchers in the world. A major new initiative has also been recently undertaken to build distributive tools usable in the popular statistical software STATA. This initiative, which is carried out in collaboration with the World Bank, will eventually lead to the elaboration of a Distributive Analysis Stata Package (DASP) and a book in French and in English on measurement and statistical methods.

Training material

PEP's fundamental research is generally converted into **training material** for MPIA and PMMA researchers (see "Research groups", "MPIA" or "PMMA", "training material" or "recommended readings", on the PEP web site). This training material serves as a support for MPIA and PMMA training activities and as reference material for researchers. Generally, these take the form of thematic recommended reading lists, training documents and software. This material is all posted on the publicly accessible PEP internet web site and has been developed both by members of the PEP-CIRPÉE project office and PEP researchers, as part of the devolution process.

4. Consultation and Dissemination

4.1 Working papers

As the 2005 meeting featured the first full slate of final PMMA and MPIA reports, the production of working papers increased substantially this year. Twenty new MPIA and PMMA working papers were published, posted on the PEP web site, distributed at the June 2006 PEP meeting and advertised in the PEP-Talk bulletin.

MPIA and PMMA Working Papers

PEP researchers are required to submit their final reports in working paper format with a separate technical appendix in order to speed up the publication process. A \$2000 grant is provided to PEP teams that publish a PEP working paper. All working papers are evaluated externally and professionally edited. French-language working papers are translated and re-edited in English. The working paper series is posted on the PEP internet web site. A list of new working papers is included in the PEP newsbulletin "PEP Talk", which is distributed widely. The working paper series is also registered with all the major bibliographic databases and bulletins (SSRN, REPEC, etc.). Coaching, encouragement and an additional \$2000 grant is also provided to PEP teams who publish an **article**, based on their PEP-funded research, in a professional journal registered with Econlit.

NEW PEP Working Papers	
Number	Author and Titles
2005-05 (1000 ko)	Ki, Jean Bosco, Salimata FAYE et Bocar FAYE Pauvreté multidimensionnelle au Sénégal : une approche non monétaire par les besoins de base
2005-06 (1897 ko)	Attanasso, Marie-Odile Analyse des déterminants de la pauvreté monétaire des femmes chefs de ménage au Bénin
2005-07 (252 ko)	Bibi, Sami Measuring Poverty in a Multidimensional Perspective: A Review of Literature
2006-01 (220 ko)	Pradhan, Basanta K. and Sahoo Amarendra The Impact of Trade Liberalization on Household Welfare and Poverty in India
2006-02 (1534 ko)	Chan, Nguyen and Tran Kim Dung The Impact of Trade Liberalization on Household Welfare in Vietnam
2006-03 (2541 ko)	Padmasiri Siddhisena and Ruwan Jayathilaka Identification of the Poor in Sri Lanka: Development of Composite Indicator and Regional Poverty Lines
2006-04 (254 ko)	Annabi, Nabil, John Cockburn and Bernard Decaluwé Functional Forms and Parametrization of CGE Models
2006-05 (248 ko)	Khondker, Bazlul, Mustafa Mujeri and Selim Raihan Welfare and Poverty Impacts of Tariff Reforms in Bangladesh: A General Equilibrium Approach
2006-06 (307 ko)	Terra, María Inés, Marisa Bucheli, Silvia Laens and Carmen Estrades The Effects of Increasing Openness and Integration to the MERCOSUR on the Uruguayan Labour Market: A CGE Modelling Analysis
2006-07	Bibi, Sami and Rim Chatti Trade Liberalization and the Dynamics of Poverty in Tunisia: A Layered CGE Microsimulation Analysis Anglais (347 ko) Libéralisation des échanges et dynamique de la pauvreté en Tunisie : Analyse avec une micro-simulation séquentielle Français (386 ko)
2006-08 (542 ko)	Wetta, Claude et Bernard K. Bonzi Dynamique de la pauvreté au Burkina Faso de 1994 à 1998
2006-09 (381 ko)	Cororaton, Caesar B. and Erwin L. Corong Agriculture-sector policies and poverty in the Philippines: A computable general-equilibrium (CGE) analysis
2006-10 (1896 ko)	Araar, Abdelkrim and Jean-Yves Duclos DAD: A Software for Poverty and Distributive Analysis
2006-11 (184 ko)	Cororaton, Caesar B. The Impact of Trade Reform in the 1990s on Welfare and Poverty in the Philippines
2006-12 (816 ko)	Abdelkhalek, Touhami Libéralisation commerciale et pauvreté au Maroc : une analyse en équilibre général micro-simulé
2006-13 (470 ko)	Jadotte, Evans Income Distribution and Poverty in the Republic of Haiti
2006-14 (255 ko)	Ronconi, Lucas, Juan Sanguinetti, Sandra Fachelli, Virginia Casazza, Ignacio Franceschelli Poverty and Employability Effects of Workfare Programs in Argentina
2006-15 (257 ko)	Malapit, Hazel Jean, Jade Eric Redoblado, Deanna Margaret Cabungcal-Dolor, Jasmin Suministrado Labor supply responses to adverse shocks under credit constraints: Evidence from Bukidnon, Philippines
2006-16 (257 ko)	Atemnkeng Johannes, Tabi, Tafah Akwi, Peter Etoh Anzah The Distributive Impact of Fiscal Policy in Cameroon : Tax and Benefit Incidence
2006-17 (257 ko)	Ichoku Ementa Hyacinth, William Fonta The Redistributive Effects of Healthcare Financing in Nigeria

4.2 International conferences

With the growing number of PEP final reports and working papers, PEP researchers increasingly disseminate their research in a wide variety of high-profile international conferences, contributing to the visibility and impact of PEP researchers and the network as a whole (Annex 2).

Of particular note this year was the invitation by the reknowned **Global Trade Analysis Project (GTAP)** to hold our meetings back-to-back with their Ninth Annual Conference, in recognition of PEP's key role in involving and supporting developing country researchers. This collaboration builds on last year's contribution by several PEP researchers and staff members to a book co-edited by GTAP's executive director Tom Hertel. The 9th GTAP Annual Conference took place from June 15th to 17th 2006 at the same venue as the subsequent PEP general meeting. PEP members played a key role in this conference with all MPIA researchers invited to participate. This provided enormous visibility to the PEP network and individual researchers within the GTAP group, which brings together most of the top trade analysts, policy makers and other stakeholders, while at the same time exposing PEP researchers to state of the art research. Bernard Decaluwé organized a special session on the theme "Globalisation, Economic Reforms and Gender" with presentations by PEP researchers Margaret Chitiga and Rizwana Siddiqui, as well as PEP deputy co-director Ismael Fofana and MPIA steering committee member Marzia Fontana. The papers of ten other MPIA researchers were also presented in other sessions: Erwin Corong, Mohamed Chemingui, Joaquim Ferreira-Filho, Sara Wong, Véronique Robichaud, Christian Emini, Marie Inés Terra-Ortiz, Sami Bibi, Selim Raihan and John Cockburn. Lastly, François Bourguignon, Chief Economist at the World Bank and Bernard Decaluwé were the two guest speakers for the closing plenary session which addressed the theme: "Poverty, Aid and the Millennium Development Goals". Bernard presented a paper which had been jointly prepared with John Cockburn entitled "Replacing Representative with Real Households in Dynamic CGE Analyses of Poverty: Challenges and Opportunities". Building on this collaboration, efforts are now under way to establish a joint PEP-GTAP South Asian Network of Economic Modelers (SANEM) under the leadership of PEP researcher Selim Raihan of Bangladesh.

In Paris, on September 7-8, 2006, the PEP network co-organized the **7th Scientific Days of the "Economic Analysis and Development" Research Network of the Agence Universitaire de la Francophonie (AUF)**. A dozen PEP Network researchers participated in this conference on the theme of "Institutions, Economic Development and Transition". The AUF is an institution that brings together French-language universities. The Paris conference was hosted by the Institut de Recherche pour le Développement (IRD) in collaboration with "Développement, Institutions et Analyse de Long terme (DIAL)" and with the support of IRD and the International Development Research Centre (IDRC). The conference brought together over 120 participants from various countries. Rohinton Medhora, vice-president of the IDRC, spoke in the opening ceremony, emphasizing the innovative character of the research conducted with the PEP Network. He further pointed out that the large number of PEP-sponsored researchers from the South attending this Conference was a testimony to the quality of the research conducted within this Network. Results of last year's conference, also co-organized by PEP, are already available in the form of a book edited by Fouzi Mourji, Bernard Decaluwé and Patrick Plane - **Le Développement face à la pauvreté** – published by Edition Economica in 2006. This book contains the contribution of several PEP members: Touhami Abdelkhalek, Sami Bibi, John Cockburn, Anyck Dauphin, Bernard Decaluwé, Jean Yves Duclos and Ismael Fofana on topics ranging from gender to new approaches to poverty analysis. A book based on this year's conference is also planned for the coming months.

The Director of PEP's African office, Ismaël Fofana, and PEP researcher Mamadou Gbongue presented communications at the **International Workshop of the Conference of the Ministers of Agriculture from West and Central Africa (CMAOC)**. The CMAOC International Workshop was held from 30 August to 1st September 2006 in Saly, Senegal. The theme of this workshop was "The Major Trade-related Stakes and Agricultural Policies in West and Central Africa: Enhancing

Dialogue to Build an Alliance". CMAOC is an intergovernmental organization, based in Dakar, which regroups Ministers of Agriculture from 20 countries in West and Central Africa. It was largely attended by decision-makers (parliamentarians, representatives of ministries, NGOs and international agencies), staff from agricultural ministries, researchers interested in foreign trade and agriculture-related issues, journalists from West and Central Africa, as well as many other participants from outside the region. Ismaël's presentation was entitled "The Distributive Impacts of Foreign Trade Liberalization in West Africa: the Challenge of Poverty Reduction in the Rural Areas", whereas Mamadou presented preliminary finding from his team's PEP project on agricultural reform and poverty in Côte-d'Ivoire

PMMA deputy network leader Sami BIBI made a presentation at the **First PEGNet Workshop on Poverty Equity and Growth** that was held in April 2006 at Kiel University, Germany. PEGNet brings together researchers with an interest in issues revolving around the poverty-inequality-growth nexus in developing countries, and links them to the German development policy bodies. The session in which he presented was chaired by the Professor Rolf J. Langhammer, Vice-President of the Kiel Institute of World Economics.

PEP researcher Dileni Gunewardena made a presentation at the **Tenth National Convention on Women's Studies** that was held last April at the CENWOR Conference Hall of Colombo, Sri Lanka. Every year, the convention lasts for 5 days and brings together a diverse set of people; academics, gender activists and researchers in women's studies (in such fields as geography, language and cultural studies, management, Information Technology etc.) who present their work, as well as people from NGOs, public sector, private sector, and donors (eg. CIDA). The session in which she presented was chaired by the Director Statistics at the Central Bank of Sri Lanka. Dileni was among three people who were interviewed at the conference by a National Television Channel to speak on the relevance to women of the forthcoming May (Labour) Day. The programme was aired on National TV on May 1. She spoke very briefly of her research but chose to focus instead on the large number of unpaid (non-market) female workers in Sri Lanka and who are not represented by organised workers on May (Labour) Day.

Another PEP researcher, Saibal Kar, took the opportunity of his study visit to the UK to present at an **ESRC workshop on Trade, Migration and Labour Markets**. The workshop was organized at the University of East Anglia (UK) on April 24-25, 2006. Saibal presented the results of his PEP research project, led by Sugata Marjit of the Centre for Studies in Social Sciences (Calcutta): "*Trade Reform and Informal Wage in Developing Countries: Partial vs General Equilibrium Implications*". It drew many eminent scholars from Europe and USA.

Two Senegalese PEP researchers, Fatou Cissé and Oumar Diop Diagne, made presentations at the **Technical Workshop on Poverty Analysis** in Dakar (Senegal) on February 27, 2006. This workshop was organised by the Direction de la Prévision et de la Statistique (DPS), the Cellule de Lutte contre la Pauvreté (CSLP) the Consortium pour la Recherche Économique et Sociale (CRES), the Poverty and Economic Policy (PEP) research network and the PREM Division of the Africa Region of the World Bank, with the support of the Environmentally and Socially Sustainable Development and the Belgian Poverty Reduction Partnership Trust Fund of the World Bank. Fatou's made a presentation on the poverty impacts of trade liberalization in Senegal whereas Oumar's presentation dealt with hardcore poverty in Senegal.

Milu Muyanga, leader of a PEP project, made a presentation at the **Basic Poverty Measurement and Diagnostics Course** in Dar es Salaam (Tanzania) from September 26th to October 3rd, 2005. This regional training program was jointly organized by the Research on Poverty Alleviation (REPOA, Tanzania) and the International Development Research Center (IDRC). The objective of this course was to build the analytical capacity of a carefully selected group of

researchers in the region who have demonstrated a keen interest in poverty research and to increase the pool of poverty specialists in the region able to undertake high quality poverty analysis.

PEP researchers, Fenglian Du and Jiangchun Yang, took part in an international workshop **Labor Mobility in Urban China – An Integrated Labor Market in the Making?**, which took place in September 2005 in Nanjing, China. They present their PEP research on Women's Employment and Industrial Restructuring in China: Investigation Using Urban Household Surveys.

Jasmin Suministrado, member of a PMMA research team, attended the **International Conference on the Impact of Global Issues on Women and Children** from February 12 to 16, 2006 in Dhaka, Bangladesh. In particular, she was able to present the research findings of her team on the theme of *Labor supply responses to adverse shocks under credit constraints: Evidence from Bukidnon, Philippines*.

Other PEP researchers presenting in international conferences include:

IZA/World Bank International Conference on Employment and Development – Berlin, Germany	May 2006	Maria Inés Terra Ortiz
Understanding the root causes of the African development crisis" – Boston, USA	October 2006	Tabi Johannes
Centre for the Study of African Economies (CSAE) Conference – Oxford, UK	January 2006	Ismael Fofana
2 nd International Conference on Health Financing in Developing Countries – Auvergne, France	December 2005	Hyacinth Ementa Ichoku
South Asian Short Course in Global Trade Analysis – Mumbai, India.	February 2006	Selim Raihan
Reducing Poverty and Inequality: How can Africa be included? – Oxford, United Kingdom.	March, 2006	Bitonder Patrick Birungi

4.3 National policy fora

In the course of this year, two PEP teams organized national policy fora to disseminate their research among policy makers, international organization representatives, academics and other stakeholders at the national level.

Enugu Forum Policy Seminar in Nigeria



A PEP team in Nigeria led by H. Ementa Ichoku held a one day conference in the Enugu state to present and discuss the findings of their team's research on the "Redistributional Effects of Health Care Financing in Enugu State". The conference was held at the National Achieves, Ogui Road, Enugu, Nigeria on 28 February, 2006. Wide publicity was achieved, notably through a one-hour preview on a local radio station a day before the conference. The

conference was part of the Enugu State Policy Forum directed by the African Institute for Applied Economics (AIAE) and generated a record turn-out for this regular seminar series. Among the invitees were top public officers, NGOs, university academics and interested members of the public. The presentation centered on three main aspects of the research: the extent of catastrophic out-of-pocket healthcare payments in Enugu state, its impoverishing effects, and equity implications. This was followed by comments and general discussions of the paper. The conference report was also aired in local radio and television stations after the conference.

Dissemination Seminar in NDjamena - Tabo Symphorien Ndang

On January 12, 2006, a PEP team in Chad held a national research dissemination conference on the theme "A qui profitent les dépenses sociales au Tchad?, une analyse d'incidences à partir des données d'enquête"



(Who benefits from social spending in Chad? An incidence analysis based on survey data) at the CEFOD (Centre d'Education et de Formation pour le Développement) in N'Djamena. Many personalities representing international institutions, government, universities, national and foreign research centers, foreign chancelleries and student associations were present. The PEP team from Chad led the open debate on the main results of their research. This

research concerned, among other things, the multidimensional poverty profile in Chad, the beneficiaries of public spending and the nature of pro-poor policies. This event was covered by Chad National Radio (RNT), Chad Television (TVT), local private and public newspapers which spread the word widely afterward. The afternoon session was reserved for a debate on the theme : "What can research do for poverty alleviation in Chad?" led by the main economist of the Chad Poverty Observatory, Mr N. Doumdé.

Continuing with their goal of dissemination, the Chad PEP team also accepted an invitation to present its findings at the International Conference on Sustainable Development in Chad in the Oil Era, organized January 16 and 17 at the CEBHEVIRA by the University of N'Djamena, CERDO and French universities from La Havre and Nice, under the chairmanship of the State Minister for National Education, Sport, Culture and Youth, Professor Avocksouma Djona. This was another opportunity to present the team's areas of research as well as the PEP Network to a diverse and multidisciplinary public.

4.4 Publications

A number of **publications** over the course of this year by members of the PEP-CIRPÉE project office derive from research activities pursued in the context of this project:

Jean-Yves Duclos and Abdelkrim Araar had their book "[Poverty and Equity: Measurement, Policy and Estimation with DAD](#)" co-published in April by Springer and IDRC. This book is available for free on the internet on the IDRC website: http://www.idrc.ca/en/ev-97152-201-1-DO_TOPIC.html

Abdelkhalek, Touhami, "Libéralisation commerciale et pauvreté au Maroc : une analyse en équilibre général micro-simulé", MPIA Working Paper 2006-12, PEP network.

Annabi, Nabil, John Cockburn and Bernard Decaluwé (2006), "Functional Forms and Parametrization of CGE Models", MPIA Working Paper 2006-04, PEP network.

Araar, Abdelkrim and Jean-Yves Duclos (2006), "DAD: A Software for Poverty and Distributive Analysis", PMMA Working Paper 2006-10, PEP network.

Araar, Abdelkrim et Jean-Yves Duclos, (forthcoming) "An Atkinson-Gini Family of Social Evaluation Functions: Theory and Illustration Using Data from the Luxembourg Income Study", *Public Finance/Finances Publiques*.

Araar, Abdelkrim, (2006), [On the Decomposition of the Gini Coefficient: an Exact Approach, with an Illustration Using Cameroonian Data](#), Working paper: 06-02. CIRPEE, Department of Economics, Université Laval.

Araar, Abdelkrim, (2006), [Poverty, Inequality & Stochastic Dominance, the Theory & Practice: Illustration with Burkina Faso Surveys](#), Working paper: 06-34. CIRPEE, Department of Economics, Université Laval.

- Bibi, S. (2005), When is Economic Growth Pro-poor? Evidence from Tunisia. CIRPEE Working Paper, WP 05-22, Université Laval, Québec, Canada.
- Bibi, Sami and Rim Chatti (2006), "Trade Liberalization and the Dynamics of Poverty in Tunisia: A Layered CGE Microsimulation Analysis", MPIA Working Paper 2006-07, PEP network.
- Bibi, Sami et Jean-Yves Duclos (2006) "Réformes fiscales et réduction de la pauvreté : application sur des données tunisiennes", in Fouzi Mourji, Bernard Decaluwé, Adama Diaw et Patrick Plane, Le Développement Face à la Pauvreté, Economica, Paris.
- Bibi, Sami et Jean-Yves Duclos, (forthcoming) "Equity and Policy Effectiveness with Imperfect Targeting", *Journal of Development Economics*.
- Bibi, Sami et Jean-Yves Duclos, (forthcoming) "Poverty-Decreasing Indirect Tax Reforms: Evidence from Tunisia", *International Tax and Public Finance*.
- Bibi, Sami et Jean-Yves Duclos (2006), "Réformes fiscales et réduction de la pauvreté : application sur des données tunisiennes", in Fouzi Mourji, Bernard Decaluwé, Adama Diaw et Patrick Plane, Le Développement Face à la Pauvreté, Economica, Paris.
- Cockburn, John et Benoît Dostie (forthcoming), "Child Work and Schooling : The Role of Household Asset Profiles and Poverty in Rural Ethiopia", *Journal of African Economies*.
- Cockburn, John (2006), "Trade Liberalisation and Poverty in Nepal: A Computable General Equilibrium Micro Simulation Analysis", in Maurizio Bussolo et Jeffery Round (eds.), Globalization and Poverty: Channels and Policies, Routledge, London.
- Cororaton, C. and J. Cockburn (forthcoming), "Trade Reform and Poverty – Lessons from the Philippines: A CGE Microsimulation Analysis", *Journal of Policy Modeling*.
- Cororaton, C. and J. Cockburn (2006), "WTO, Trade Liberalization and Rural Poverty in the Philippines: Is Rice Special?", *Review of Agricultural Economics*, vol. 28, No. 3, p.1-8.
- Duclos, Jean-Yves, (forthcoming) "Equity and Equality", *Canadian Journal of Economics / Revue canadienne d'économique*.
- Duclos, Jean-Yves, D. Sahn et S. Younger (2006), "Robust Multidimensional Poverty Comparisons", *Economic Journal* 116, n° 514, octobre, 943-968.
- Duclos, Jean-Yves, D. Sahn et S. Younger (2006), "Robust Multidimensional Spatial Poverty Comparisons in Ghana, Madagascar, and Uganda", *World Bank Economic Review* 20, n° 1, juillet, 91-113.
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- Fouzi Mourji, Bernard Decaluwé, Adama Diaw et Patrick Plane (2006), Le Développement Face à la Pauvreté, Economica, Economica, Paris.

4.5 Web site

A highlight of this year's activities was the unveiling of an entirely new look for the web site to make information more easily and attractively accessible. Over 5000 people are currently registered on the PEP web site, which has accumulated over 150,000 "hits" since a counter was installed in the Spring of 2003. The **PEP web site** is revised and expanded on an ongoing basis.

The PEP web site (www.pep-net.org)

The PEP web site integrates all three PEP networks (CBMS, MPIA and PMMA) and features both Internet (public) and Intranet (restricted access) components. The internet component provides public information on PEP research projects, information on PEP workshops and meetings, as well as a wide variety of research resources (bibliographic search tools, downloadable documents, training material, recommended readings, links, software, etc.) for PEP and other researchers from developing and developed countries alike. The **Intranet** component is designed to gather, organize, store and circulate the latest information on all PEP projects. It provides a central location where team members, steering committee members and resource persons can post reports, comments and messages.

4.6 Newsbulletin

A fifth issue of the PEP newsbulletin – “PEP Talk” – was distributed in March 2006 through our extensive distribution list and the sixth issue is slated for publication by the end of October 2006. This bulletin is also posted on the PEP web site. PEP Talk provides information on all new developments in the PEP network. PEP Talk features articles by researchers presenting the findings from their PEP research projects based on recently-published working papers. The increasing rate of publication of PEP working papers has led us to adopt a biannual publication schedule in the future. In addition, PEP Talk presents news on each of the three subnetworks, recent and upcoming events, new research grants and working papers, portraits of PEP members and general information on the network.

4.7 Brochure

The PEP **brochure** was revised this year and is now available in English, French and Spanish. It is posted on the PEP web site and several copies were provided to all participants at the June 2006 PEP general meeting for distribution in their respective countries. Additional copies were also provided to all PEP researchers and resource persons attending international conferences for distribution.

5. Devolution

The PEP network continued to aggressively pursue its devolution strategy in the course of this year. The relaunching of the PEP African office in September 2005 has allowed a substantial devolution of core administrative tasks culminating by Aissatou Diop taking over responsibility for the overall administration of the network in May 2006. At the same time, the African office director, Ismaël Fofana, was named deputy PEP-CIRPÉE codirector and is increasingly sharing the tasks of the PEP-CIRPÉE codirector. It is also expected that the African office will continue to expand in the future to increase the participation of PEP's African researchers in research, dissemination, scientific support and training activities. The responsibility for external evaluations has also been largely transferred to Southern PEP researchers. Note also that PEP's (written and simultaneous) translation and its editing services are entirely handled by Southern-based consultants. Finally, the vast majority of research professionals and students involved in CIRPÉE's support activities are developing country nationals.

6. Resource expansion

PEP's CIRPÉE and African offices have actively pursued a number of **resource expansion and diversification** activities this year.

PEP's resource expansion strategy

PEP is currently exploring various mechanisms for partnering with new donors.

Joint Research Initiatives (JRIs): The largest item in the PEP budget is composed of the various grants provided to PEP researchers: core research grant; grants for the participation in PEP meetings, study visits and international conferences; national policy conference grants; working paper and journal publication grants. A key mechanism for seeking new grant funds is to identify a JRI on a relatively focused theme within one of the PEP networks that we believe is likely to attract outside funding. A request or funding proposal is prepared by a group of 2-3 specialists in the thematic area: one person who is closely associated with the PEP network (e.g. staff member, steering committee member, resource person or past/current researcher), possibly one person from a partner institution (e.g. IFPRI), and a senior researcher from the South in cases where the other members are Northern-based. If the JRI is funded, these specialists would have the responsibility for the coordination of the initiative. Generally speaking, PEP offers to provide the scientific support and administration of the JRI from its core budget and asks the donor(s) to finance all grants provided to participating teams, which can amount to a maximum of roughly \$CAN 50,000. In PEP's regular call for proposals, this JRI is advertised as a special initiative with a predefined number of projects to be funded. Administratively the project is fully integrated and managed as any other PEP project, although scientific support is provided primarily (but not exclusively) by the coordinating team. By focusing on a specific theme (and possibly a specific) region of particular interest to a potential donor, we should increase the probability of funding. For the donor, this provides them an opportunity to support and become involved in a project with a clear output of use to them.

Policy conferences/general meetings: In order to cover the substantial costs of its annual general meetings, PEP approaches donors to sponsor part of the local organization costs and/or scholarships for participating researchers and/or policy makers. As these meetings now include two-day policy conferences, this provides donors with visibility as official sponsors. In addition to the funding of PEP's general meeting, PEP also partners with outside institutions in the joint organization of thematically- or geographically-focused policy conferences involving PEP and other researchers.

Training activities: Several donors have expressed their interest in exploiting PEP's considerable training expertise and material in order to build research capacity in specific regions of the World. This can include funding to translate existing training material into other languages, to develop Internet training courses and to conduct training workshops. PEP is seeking to institutionalize this activity through the establishment of regular "PEP schools" in both the MPIA and PMMA networks.

Fundamental research: PEP staff seeks to fund their fundamental research activities through parallel projects. For example, in order to explore methodologies and develop training material on the relationships between growth and poverty, PEP staff are currently involved in a World Bank-funded project on this theme with applications to four African and Latin American countries.

6.1 General partnering activities

For the second year, a PEP **Partner's Luncheon** was organized this year on the first day of the PEP general meeting in order to bring together the large number of partner representatives present at the meeting and introduce them to the PEP network and to discuss possible partnerships. This has led to follow-up discussions with a number of these donors concerning the co-funding of future PEP meetings, the establishment of new PEP subnetworks and other forms of collaboration.

PEP signed a **memorandum of understanding** with the **Arab Planning Institute (API)** this year to explore areas of collaboration including joint research initiatives, national conferences, publications, training activities, study visits, etc. Discussions are now under way

A major development this year was the organisation of the Fifth PEP General Meeting back-to-back with the **Global Trade Analysis Project (GTAP)** Ninth Annual Conference in Addis Ababa (Ethiopia). GTAP boasts an international consortium of 24 sponsors including the Asian Development Bank, the European Commission, the UN's Food and Agricultural Organization, the Inter-American Development Bank, the World Bank, UNECA and WTO. It has a membership of 4000 researchers and primarily focuses on modeling the impacts of trade policies at national, regional and international scales. This collaboration provides unprecedented visibility to the PEP network.

Our **African office** has been given the mandate to chart out its own resource expansion strategy with substantial autonomy. It is focusing on seeking funding for the reinforcement of the synergy between researchers, research institutions, policy makers and other stakeholders. The goal is to bring together research producers and users in designing policy-oriented research agendas and in regularly exchanging information on specific policy issues of interest. The use of local capacities for undertaking policy oriented researches and training programme is also an important component of the PEP strategy in Africa, particularly through efforts to find funding for PEP training schools in Africa. The office seeks in this way to build poverty research capacity in relevant government, academic and research institutions. Finally, the African office aims to encourage regional research initiative and to connect together national stakeholders within and between geographical region for better exchanges of information and experiences.

6.2 Policy conferences/General Meetings

For a second consecutive year, PEP co-organized the **Scientific Days of the "Economic Analysis and Development" Research Network of the Agence Universitaire de la Francophonie**. See International Conferences (section 4.2) above for details.

6.3 Training activities

Discussions are currently held with African institutions towards developing close cooperation in order to offer **PEP training sessions**, both MPIA and PMMA, particularly meant for young researchers who wish to join the PEP Network. Kenya, South Africa, Cameroon and Senegal may be the countries to host this type of training. Likewise, work is currently underway in order to have all the teaching material developed over the years by MPIA researchers made available in English and Spanish. Discussions are being held with the InterAmerican Development Bank for the implementation of a training programme which would be primarily meant for Latin American young researchers.

6.4 Joint research initiatives

A proposal for a **PEP-GTAP South Asian Network of Economic Modelers (SANEM)** was prepared by PEP researcher Selim Raihan of Bangladesh in close consultation with John Cockburn and GTAP Executive Director Tom Hertel. The proposed network would examine: "Analysis of Regional Integration and Poverty in South Asia: The PEP-GTAP Economic Modeling Network". The goal is to establish a mini-MPIA network for this region with special links to GTAP and a particular focus on modeling the poverty impacts of regional integration in the South Asian region. This proposal has been submitted to the Commonwealth Secretariat.

Gender Challenge Fund: This initiative was funded by IDRC's Gender network, which covered the costs of three core PEP research grants (\$20,000 each) dealing with gender issues, plus the associated overhead costs. The PEP network covered all other costs associated with these

three and fully funded two other projects under this scheme. This fund has been maintained despite the exhaustion of the Gender network funding. The Gender Challenge Fund projects were fully integrated into the PEP network, with the only difference being the participation of the Gender network leader in the selection and support of the projects in question.

Gender modeling: There are ongoing discussions with the UN's Economic Commission for Africa (UNECA) for a special project on gender modeling in six African countries. This constitutes an extension of a pilot study for South Africa completed by PEP staff and researchers. This would, in principle, be fully integrated into the MPIA network but would involve funding targeted to gender modeling projects in the six countries. In parallel, MPIA steering committee member Marzia Fontana is currently designing a new initiative in collaboration with PEP's African office director Ismaël Fofana. This is focused more generally on gender modeling (i.e. the micro gender impacts of macro policies and shocks), as a basis for seeking funding either from UNECA or other sources (e.g. Levy Institute, DFID, Unifem, etc.).

Policy impact evaluation: Following his participation in the June 2005 PEP general meeting, Stephen Howes of AusAid suggested that his institution might be interested to finance a JRI on the issue of policy impact evaluation. In response, Habiba Djebbari, professor at Laval University and PEP trainer/resource person at the June 2005 PEP general meeting, developed a proposal in consultation with Deborah Cobb-Clark, John Cockburn, John Hoddinott (IFPRI¹), Martin Valdivia (PEP researcher based in Peru) and Stephen Howes. The proposal was submitted to Ausaid and is currently under evaluation there. The proposed JRI is standard in design with a coordinating team composed of Habiba Djebbari, John Hoddinott and Martin Valdivia.

Poverty and Intrahousehold Resource Allocation: Anyck Dauphin, professor at the University of Quebec in Outaouais (UQO) and formerly at Laval University and at IDRC, has begun developing a proposal for a JRI on poverty and intrahousehold allocation. This proposal builds on Anyck's past research and her ongoing research in collaboration with Mohammed Razzaque and John Cockburn on child poverty and intrahousehold allocation in Bangladesh (to be presented in the June 2006 PEP general meeting closing session) using data from an IDRC-funded household survey on intrahousehold allocation.

Macroeconomics and the Millenium Development Goals: John Cockburn and Bernard Decaluwé have had discussions with a number of organizations concerning a JRI on analyzing the links between macro policies and shocks and the pursuit of the Millenium Development Goals. Indeed, Bernard Decaluwé attended a training workshop organized by Hans Lofgren of the World Bank. At the June 2006 PEP general meeting, a committee composed of Hans Lofgren, Robert Vos (UNDESA) and Bernard Decaluwé was formed to create a MAMS (Model for the Analysis of MDG country Strategies) modeling network. PEP is now developing a PEP-MAMS JRI proposal that will be promoted by this network. In parallel, discussions are also underway with the Millenium Project and the UNDP's International Poverty Centre on a possible JRI on the links between macroeconomics and the MDGs.

Poverty Impacts of Agricultural Policy: Bernard Decaluwé is developing a proposal to model the poverty impacts of agricultural policies in Bolivia, notably agricultural tariff changes planned in the Doha Round. The application to Bolivia is seen as a first stage to develop the methodology, which could then be applied to a number of other countries in the region.

6.5 Fundamental research

Several **parallel projects** were completed over the last year. First was a World Bank-funded project commissioned by Quentin Wodon and involving the analysis of trade and fiscal reforms in a

¹ Habiba recently met with John in Washington to finalize the proposal.

number francophone countries in Africa. This project received from the **Bank-Netherlands Partnership Project (BNPP)**, a trust fund managed by the World Bank. With the assistance of MPIA resources persons from Laval, PEP researchers from Benin, Burkina Faso, Cameroon and Senegal applied the integrated CGE microsimulation techniques developed by the network. This work is now being prepared to be published in a World Bank book.

The second initiative was also led by two prominent World Bank researchers - Thomas W Hertel and L. Alan Winters – once again with funding from the BNPP. In the context of a large research project on the poverty impacts of a potential Doha Development Agenda, no less than ten PEP researchers and resource persons were involved in contributing four chapters to this book. The result of this collaborative project is already available in the form of a highly-publicized book (T Hertel and A Winters, **Poverty and the WTO: Impacts of the Doha Development Agenda**, Palgrave and the World Bank 2006).

A third BNPP project on **Trade, Growth and Poverty in the Developing World** is now under way in Ghana, Honduras, Senegal and Uganda. This project will, in particular, allow the MPIA network to extend fundamental research on modeling the interactions between growth and poverty. This is expected to lead to the development of methodologies and training material for the MPIA network as it continues to explore this extremely important and uncharted policy issue.

A second phase of a **UNECA gender modeling project** in South Africa has also been completed, once again involving both PEP researchers and resource persons. As a result of this collaboration, the UNECA took responsibility for organizing the Fifth PEP general meeting, which was held in Addis Abeba (Ethiopia) in June 2006.

7. Administrative activities

Several significant developments occurred on the administrative front in the course of this year. First, as discussed below, PEP-CIRPEE's administrative leadership was devolved to our African office. Indeed, the **PEP African office** in Dakar (Senegal) was re-lanched in early September 2005. Ismaël Fofana, a long term collaborator of PEP, is the director and has hired an administrative assistant, Ms. Aissatou Diop, to work full-time with him. Ms. Diop is fluent in four languages – English, French, Spanish and Wolof – which is a great asset for the network! She has training in international business and has lived and worked in Senegal, France and Spain, and she has traveled extensively in all of these countries, as well as in the United States. She has quickly progressed to the point where she took over responsibility for the overall administration of the PEP network by April 2006. The African office serves all three PEP networks: CBMS, MPIA and PMMA.

Second, an **administrative manual of procedures** was completed and is updated on a regular basis. This tool is an essential reference to CIRPÉE's management team, a training tool for new staff and an essential part of our devolution effort. The preparation of the manual of procedures also provided us an excellent occasion to evaluate and review the procedures themselves.

Efforts were made to increase the **integration of the CIRPÉE and AKIEBS management teams**. Very close collaboration was established in the preparation of the June 2005 PEP general meeting, notably through the shared use of the Intranet conference management tools. Also, two members of the CIRPÉE administrative team – Sonia Moreau and Ndeye Aidara – traveled to Manila to train the AKIEBS team in using the PEP web site, explore potential web site developments and discuss overall management coordination between the two teams.

PEP's Administrative System

Follow-Ups: PEP uses a sophisticated Intranet-based **follow-up mechanism** to ensure prompt and efficient management. As a result, there is always a CIRPÉE team member that is responsible for supervising or carrying out a management activity for each PEP proposal, project and working paper. Each member of the team can consult his/her "follow-ups" at any time on the PEP web site and, when it is completed, transfer the responsibility appropriately. All past activities are archived to allow members of the CIRPÉE team to review the history of all projects.

MPIA-PMMA Grants Manual: This manual outlines the nature, application procedure and selection criteria for all MPIA and PMMA grants. It is updated on an ongoing basis and is available through a link on the PEP web site's home page.

Technical reports: All PEP-funded research teams are required to provide a draft technical report with their interim research report and a final technical report with their final research report. Technical reports provide valuable information on the age and sex composition of PEP research teams, the tasks of individual team members, capacity building, main research findings, policy implications, difficulties encountered, support needs, consultation and dissemination activities (involving policy makers, academics and other stakeholders). Researchers are also asked to provide their appreciation, comments and suggestions on the PEP network and its meetings, scientific support and administration.

Finally, there was ongoing interaction with various members of **IDRC** staff concerning both scientific and administrative matters throughout the year. In particular, John Cockburn participated in an IDRC brainstorming in Ottawa on the IDRC's new Globalization, Growth and Poverty initiative.

Annex 1: List of Newly-Selected PEP Research Proposals

- Djoke Kossi Agbéviade, Togo, Profil de la pauvreté infantile dans les pays de l'UEMOA : une analyse comparative basée sur l'approche multidimensionnelle de la pauvreté
- Akoété Éga Agbodji, Senegal, Politique industrielle de zone franche au Togo et effets sur le revenu des ménages pauvres: Une approche basée sur le modèle d'équilibre général calculable
- Dejene Aredo, Ethiopia, The Impact of WTO Accession on Poverty and Inequality in Ethiopia: An Investigation of a CGE Micro-Simulation Analysis
- John Ataguba, South Africa, An estimation of the willingness to pay for community healthcare risksharing prepayment scheme and the Medical Poverty Trap: Evidence from rural Nigeria
- Mongi Boughzala, Tunisia, Dépenses publiques, croissance et pauvreté régionales en Tunisie: Une microsimulation séquentielle
- Roehlano Briones, Philippines, National Development for and from the Regions: A Philippine Regional CGE for Impact Analysis
- Sékou Falil Doumbouya, Guinea, Services sociaux de base en Guinée : Diagnostic et effets à attendre de la politique gouvernementale
- Jose Galdo, Peru, Do the Poorest among the Poor Benefit Less from Active Labor Market Programs? Evidence from PROJOVEN
- Dia Bernadette Kamgnia, Cameroon, Bénéfices révélés et ciblage des pauvres dans les dépenses publiques au Cameroun
- Xiaohua Li, China, Education Expansion and Wage Inequality in China: Investigation Using Urban Household Surveys, 1988-2002
- Jane Mariara, Kenya, Poverty, Child Mortality and Policy Options from DHS Surveys in Kenya: 1993-2003
- Serge Saint-Éloi Matchinide, Senegal, Pauvreté multidimensionnelle des enfants et des ménages - Analyse appliquée à la République Centrafricaine
- Alaya Ouarme, Senegal, Pauvreté et vulnérabilité au Burkina Faso : indice du noyau dur de la pauvreté
- Lan Huong Pham, Vietnam, Impacts of public spending in education sector on growth and poverty reduction in Vietnam: A dynamic general equilibrium analysis
- Maria Inés Terra Ortiz, Uruguay, Trade Openness and Gender in Uruguay. A CGE Analysis
- Cuong Nguyen Viet, Vietnam, Poverty Targeting and Impact of the National Micro-Credit Program in Vietnam: A Non-Parametric Approach
- Sara Wong, Ecuador, Poverty Impacts of Increased Openness and Fiscal Policies in a Dollarized Economy: A CGE-Micro Approach for Ecuador
- Gustavo Yamada, Peru, Optimal Policy Design for MDG Achievement: The Peruvian Case

Annex 2: List of PEP researchers participating in international conferences

Conférence	Date	Nom du chercheur
Ninth Annual Conference on Global Economic Analysis – Addis Ababa, Ethiopia	June 2006	Margaret Chitiga, Rizwana Siddiqui, Marzia Fontana, Erwin Corong, Ismaël Fofana, John Cockburn, Bernard Decaluwé, Sami Bibi, Mohamed Chemingui, Joaquim Bento Ferreira-Filho, Sara Wong, Christian Emini, Marie Ines Terra-Ortiz, Selim Raihan, Salimata Faye, Tabo Symphorien, Véronique Robichaud
7 ^e Conférence internationale du Réseau Analyse Économique et Développement de l'Agence Universitaire de la Francophonie (AUF) – Paris, France	September 2006	Abdelkhalek Touhami, Akoété Ega Agbodji, Christian Arnault Émini, Dorothee Boccanfuso, Elyse Ahovery, Ismaël Fofana, Saoussen Ben Romdane, Sékou Falil Doumbouya, Louis-Marie Asselin, Sami Bibi
First PEGNet Workshop on Poverty, Equity and Growth – Kiel, Germany	April 2006	Sami Bibi
International Workshop of the Conference of the Ministers of Agriculture from West and Central Africa (CMAOC) – Saly, Senegal	September 2006	Ismael Fofana
Tenth National Convention on Women's Studies – Colombo, Sri Lanka	April 2006	Dileni Gunewardena
ESRC workshop on Trade, Migration and Labour Markets – East Anglia, UK.	April 2006	Saibal Kar
Technical Workshop on Poverty Analysis – Dakar (Senegal)	February 2006	Fatou Cissé, Oumar Diop Diagne
Basic Poverty Measurement and Diagnostics Course – Dar es Salaam (Tanzania)	September-October 2006	Milu Muyanga
Labor Mobility in Urban China: An Integrated Labor Market in the Making? –Nanjing, China	September 2005	Fenglian Du and Jiangchun Yang
Impact of Global Issues on Women and Children – Dhaka, Bangladesh	February 2006	Jasmin Sumministrado
IZA/World Bank International Conference on Employment and Development – Berlin, Germany	May 2006	Maria Inés Terra Ortiz
Understanding the root causes of the African development crisis" – Boston, USA	October 2006	Tabi Johannes
Centre for the Study of African Economies (CSAE) Conference – Oxford, UK	January 2006	Ismael Fofana
2 nd International Conference on Health Financing in Developing Countries – Auvergne, France	December 2005	Hyacinth Ementa Ichoku
South Asian Short Course in Global Trade Analysis – Mumbai, India.	February 2006	Selim Raihan
Reducing Poverty and Inequality: How can Africa be included? – Oxford, United Kingdom.	March, 2006	Bitonder Patrick Birungi

Annex 3: List of PEP researchers organizing national conferences

Redistributional Effects of Health Care Financing in Enugu State". Enugu, Nigeria	February, 2006	Hyacinth Ichoku Ementa
Que peut la recherche sur la réduction de la pauvreté au Tchad?" - Ndjamen, Tchad.	January 2006	Tabo Symphorien Ntang