Fostering entrepreneurship for inclusive growth and poverty reduction: 
a dialogue on the research evidence and policy options

Many antipoverty programs and strategies are designed based on the assumption that lack of capital and skills determines occupational choice, and that, therefore, transferring capital or skills will enable the poor to enter into more productive occupations and lead to sustainable improvements of their livelihoods. Acute importance is also attributed to the role of entrepreneurship, not only in a country’s overall socioeconomic development but also, increasingly, as a means to empower the poor and eradicate extreme poverty in developing countries. This follows and is mainly due to global acknowledgement of the success and impact of markets, microfinance programs and institutions.

Whilst most national development and/or poverty reduction strategies now include the objective of increasing entrepreneurship amongst the poor, there is substantial heterogeneity in the types and aims of those interventions (policies or programs) designed and implemented to achieve these objectives. For example, such interventions may target the general population (or specific population groups, such as women or youth) with the aim of transforming occupational choice on the extensive margin from wage labor to small entrepreneurship (i.e. creating new businesses), while others target existing micro-enterprises or SMEs with the aim of increasing productivity and profit within the same occupation. Interventions may also differ in terms of “type of transfer” ; some may transfer capital – either in cash, through asset transfers, or through improved access to credit – while others transfer skills through training programs, and some combine both (capital and skill transfer - e.g. business training attached to microcredit programs and other financial products). Other groups of interventions aim at improving access to export markets and investments in technology.

The last few years have seen rapid growth in the amount of research and number of evaluations of these programs/interventions in developing countries, but most analyses focus on specific aspects/dimensions or types of interventions, and thus tend to provide a “disaggregated” view on the matter. Defining what subset of interventions is best for what kind of individuals and firms, and in what contexts, has been more elusive, as well as what kind of impacts to expect depending on firm size. Another important dimension is how to connect these entrepreneurship interventions with more general job skills interventions, considering that many of the current entrepreneurs were excluded from the formal labor markets.

With this special event, PEP and partners aim to gather different stakeholders engaged in initiatives involving the promotion of entrepreneurship as a strategy for poverty reduction and shared prosperity, to reflect and draw some important lessons through sharing of experience, evidence and policy practice. These lessons, which will be compiled and published/publicized widely, shall ultimately contribute to define a common research-policy action agenda to inform policy choices for effective poverty reduction and inclusive growth.
9:00-9:30  Official opening

**CHAIR:** Mustapha K. Nabli – Chair, PEP Board of Directors

Introductions and opening remarks:
- Instituto de Estudios Avanzados en Desarrollo (INESAD)
  Boris Branisa, Executive Director
- Multilateral Investment Fund (MIF) of the IDB Group
  Yuri Soares, Chief of Development Effectiveness Unit
- Partnership for Economic Policy (PEP)
  Bekele Shiferaw, Executive Director

9:30-10:30  Keynote presentation (30 minutes) and discussion (30 minutes)

**Prof. Jeffery S. McMullen**, Kelley School of Business, Indiana University

*Challenges, lessons and opportunities for fostering entrepreneurship for inclusive growth and poverty reduction in developing countries*

10:30-11:00  Group photo and coffee break (to be taken outside, please follow indications)

11:00-12:30  Panel discussion 1

**FACILITATOR:** Yuri Soares, MIF-IDB

**What we know:** current knowledge of best practice, based on experience and research

- What are the main challenges and policy, institutional and structural constraints to fostering entrepreneurship amongst the poor in developing countries?
- What are the specific elements for fostering favorable entrepreneurship ecosystems in challenging contexts (e.g. farm, non-farm, urban, etc)?
- What works, how and where in fostering entrepreneurship?

Panelists
- Xavier Gine, World Bank
- Mayra Buvinic, United Nations Foundation
- Martin Valdivia, PEP Latin America and Grupo de Analysis para el Desarrollo (GRADE)
- Dino Linares, Colectivo Integral del Desarrollo (CID)
- Sarah McMillan, Youth Business International

12:30-14:00  Lunch

14:00-15:30  Panel discussion 2

**FACILITATOR:** Yuri Soares, MIF-IDB

**Defining a more focused/effective research-policy action agenda**

- What are the main/current data and knowledge gaps for research to inform policy action for pro-poor entrepreneurship?
- What are the challenges for catalyzing a research-to-policy action agenda and scaling up promising innovations for fostering pro-poor entrepreneurship and employment?
- What is the optimal role of the government and the private sector in fostering pro-poor entrepreneurship?
Panelists
- Amadou B. Diallo, African Bank of Development (AfDB)
- Cesar Sevilla, United Nations Industrial Development Organization (UNIDO)
- Lucia Sanchez, Innovations for Poverty Action (IPA), SME initiative
- Ponciano Intal Jr., Economic Research Institute for ASEAN and East Asia
- Pablo Sanguinetti, CAF - Banco de Desarrollo de America Latina

15:30-16:00 Coffee break

16:00-16:30 Presentation of policy recommendations from panel discussions
FACILITATOR: Yuri Soares, MIF-IDB
PRESENTER: Martin Valdivia, PEP Latin America (GRADE)

16:30-17:00 Closing remarks and vote of thanks
Mustapha K. Nabli – Chair, PEP Board of Directors

Concept

Both the keynote and panel sessions will be followed by open discussions and questions from the floor. For the panel sessions, the facilitator will moderate and manage the dialogue – i.e. inviting the panelists to discuss panel questions, as well as taking questions/comments from the audience.