



THE MINISTRY OF ECONOMIC DEVELOPMENT

ANNUAL TECHNICAL REPORT 2021

Table of Contents

Message from the Prime Minister	3
Message from the Minister of State	4
Message from the CEO	5
Abbreviations	6
Executive Summary	10
Chapters	
1. Policy and Planning Unit	11
- Introduction	11
- Main Achievements	11
- Lessons Learnt	25
- Future Plans and Priorities	25
- Recommendations	28
2. Climate Finance Unit	29
- Introduction	29
- Main Achievements	29
- Lessons Learnt	30
- Future Plans and Priorities	31
3. Belize – European Union Cooperation	32
- Introduction	32
- Main Achievements	32
- Lessons Learnt	38
- Future Plans and Priorities	39
Project Implementation Units	
- Belize Road Safety	40
- Belize Integral Security Programme	40
- Resilient Rural Belize	41
Statutory Bodies	
- Statistical Institute of Belize	43
- Development Finance Corporation	43
Staffing and Financial Considerations	44
Conclusions and Recommendations	45
Annex 1 – Organizational Structure	46

**Message from the Honourable John Briceño, Prime Minister
and Minister of Finance, Economic Development and Investment**



As the Minister of Finance, Economic Development and Investment, I am pleased to present the Annual Technical Report of the Ministry of Economic Development for the financial year 2021-2022. This report has been prepared in line with the goals and objectives of Plan Belize and its Medium-Term Development Strategy 2021-2025.

When my administration came into office, the national economy was in a recession; the debt-to-GDP ratio was 133% - way above the acceptable international standard of 60% (IMF Report 2022). The high indebtedness was a result of low industry productivity, a decrease in exports, high unemployment and poverty rates, all of which were compounded by devastating natural disasters and the COVID-19 pandemic.

It is against this backdrop that the Ministry of Economic Development has taken the lead on planning and coordination to effectively implement the 6 strategic pillars of Plan Belize: (i) Poverty Reduction; (ii) Economic Transformation and Growth; (iii) Trade deficit reduction; (iv) Citizen Security; (v) Protection of the Environment and Natural Resources; and (vi) Stop Corruption.

With continued support from our development partners and strong collaboration across ministries, we can successfully deliver on Plan Belize.

Hon. John Briceño
Prime Minister and
Minister of Finance, Economic Development and Investment

**Message from the Honourable Christopher Coye, Minister of State in the Ministry of Finance,
Economic Development and Investment**



This financial year was another challenging one for the Ministry. The global economic crisis triggered by the COVID-19 pandemic has resulted in an increase in poverty, unemployment, and inflation. Our economic position has driven us to seek grant financing and concessionary loans.

Thanks to the collaboration and cooperation of development partners and stakeholders (public and private), our Ministry was able to seek financing to keep the Public Sector Investment Program moving forward.

With the creation of the new Climate Finance Unit, our Ministry is better positioned to access additional climate finance to enhance Belize's overall resilience and sustainable development. Our Ministry is also in the process of creating a Central Execution Unit to assist with the implementation of government initiatives, and the establishment of a robust monitoring, learning, and evaluation framework.

The Ministry of Economic Development, as per our mandate, is committed to economic growth, reduction of the poverty, and job creation. We are also working in close collaboration with key stakeholders and development partners to establish impactful projects and programmes.

I look forward to your continued cooperation and collaboration.

Hon. Christopher Coye
Minister of State
Ministry of Finance, Economic Development and Investment

**Message from Dr. Osmond Martinez, CEO in the Ministry of Finance,
Economic Development and Investment**



It is my pleasure to highlight the major activities of the Ministry of Economic Development's Annual Technical Report for the financial year 2021-2022.

During this fiscal year many things were achieved despite the challenges presented by the economy, COVID-19, crime, and poverty to name a few. Our Ministry initiated the preparation of Belize's Medium-Term Development Strategy for the period 2021-2025. Our Ministry was also able to strengthen its relationship with the multilateral and bilateral development institutions, improve our coordination and collaboration with stakeholders, and benefit from new line of financing. We also significantly improved the implementation rate of many ongoing projects identified in our Public Sector Investment Program. Additionally, our Ministry was able to secure additional grant financing for our pipeline projects.

I wish to thank all the stakeholders and development partners for their collaboration and all staff of the Ministry of Economic Development for their commitment, professionalism, support, and for the achievements outlined in this technical annual report.

Osmond Martinez, Ph.D.
Chief Executive Officer
Ministry of Finance, Economic Development and Investment

Abbreviations

ACE	Adult Continuing Education
ANRI	Agriculture and Natural Resource Institute
BCG	Belize Coast Guard
BDF	Belize Defence Force
BELTRAIDE	Belize Trade and Investment Development Service
BHIS	Belize Health Information System
BISP	Belize Integral Security Program
BLF	Biodiverse Landscapes Fund
BPD	Belize Police Department
BSIF	Belize Social Investment Fund
BWS	Belize Water Services
BZD	Belize dollar
CABEI	Central American Bank for Economic Integration
CAP	Country Assistance Program
CCCCC	Caribbean Community Climate Change Centre
CDB	Caribbean Development Bank
CDEP	Clinical Data Exchange Platform
CDF	CARICOM Development Fund
CES	Country Engagement Strategy
CFU	Climate Finance Unit
CIP	Country Implementation Plan
COP26	26th Conference of Parties
CP	GCF Country Program
CRESAP	Climate Resilient and Sustainable Agriculture Project
CSA	Climate Smart Agriculture
CSME	CARICOM Single Market and Economy
CSOs	Civil Society Organizations
DFC	Development Finance Corporation

EDF	European Development Fund
EPA	Economic Partnership Agreement
EU	European Union
EUR	Euro
FA	Financing Agreement
FDI	Foreign Direct Investment
GBP	British Pound Sterling
GCF	Green Climate Fund
GOB	Government of Belize
GVC	Global Value Chain
IBRD	International Bank for Reconstruction and Development
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IISD	International Institute for Sustainable Development
ILO	International Labour Organization
LDC	Less-Developed Country
LED	Light-emitting Diode
M&E	Monitoring and Evaluation
MoECST	Ministry of Education, Culture, Science and Technology
MED	Ministry of Economic Development
MFA, FT & Imm.	Ministry of Foreign Affairs, Foreign Trade and Immigration
MFEDI	Ministry of Finance, Economic Development and Investment
MIDH	Ministry of Infrastructure, Development and Housing
MIP	Multi-Annual Indicative Programme
MIS	Management Information System
Mn	million
MOF	Ministry of Finance
MOHW	Ministry of Health and Wellness
MPI	Multidimensional Poverty Index
MSDCCDRM	Ministry of Sustainable Development, Climate Change & Disaster Risk Management

MSEFP	Management Service for Externally Funded Projects
MSMEs	Micro, Small and Medium Enterprises
MTDS	Medium Term Development Strategies
NAO	National Authorizing Office
NAP	National Adaptation Plan
NAP GN	National Adaptation Plan Global Network
NCDs	Non-Communicable Diseases
NCCO	National Climate Change Office
NDA	National Designated Authority
NDC	Nationally Determined Contribution
NDICI	Neighbourhood Development and International Cooperation Instrument
NFSS	National Forensic Science Services
NSS	National Statistical System
OPHI	Oxford Poverty and Human Development Initiative
OPM	Office of the Prime Minister
PACT	Protected Areas Conservation Trust
PAHO	Pan-American Health Organization
PEU	Project Executing Unit
PFM	Public Finance Management
PPU	Policy and Planning Unit
PSC	Project Steering Committee
PSIP	Public Sector Investment Program
R2R	Ready2Respond
RRB	Resilient Rural Belize
SDG	Sustainable Development Goals
SIB	Statistical Institute of Belize
SIW	Single Investment Window
SME	Small and Medium Enterprises
SWOT	Strengths, Weaknesses, Opportunities, Threats
TC	Technical Cooperation

UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Program
UNEP	United Nations Environment Program
UN MSDCF	United Nations Multi-Country Sustainable Development Cooperation Framework
USD	United States Dollar
WFP	World Food Program

Executive Summary

The Ministry of Economic Development’s mission is to assume a leadership role in formulating and recommending national development policies, strategies, and programs to promote macroeconomic stability, sustainable socioeconomic development and the reduction of poverty.

To date, MED houses three units: the Policy and Planning Unit, Climate Finance Unit, and the Belize—European Union Cooperation. Each Director oversees the work of their respective units and ensures that the deliverables lend themselves to the fulfilment of the Ministry’s overall mission.

Both the Policy and Planning Unit (PPU) and the Belize—European Union Cooperation have been instrumental in realizing this goal. Over the past year, the PPU has managed millions of dollars in funding for projects ranging from COVID relief and sustainable energy initiatives to climate-smart agriculture and extensive infrastructure schemes. Similarly, the Belize—European Union Cooperation has engaged the EU for support in providing technical assistance for software, IT and digital infrastructure initiatives, as well as socio-economic development and rural transformation projects.

In contrast, the Climate Finance Unit (CFU) is a new addition to the Ministry; the Unit has been operational since January 2022. Acting as the Nationally Designated Authority to both the Green Climate Fund (GCF) and most recently, the Adaptation Fund, has allowed the CFU to maximize Belize’s access to climate finance. Achievements so far include approved readiness funding to seek accreditation of three national entities to the GCF, technical assistance for the development of National Adaptation Plans, and the engagement of two new funding agencies.

The Ministry of Economic Development has operated successfully under its current structure, but senior staff and leadership have agreed that certain adjustments can be made to boost productivity and better position the Ministry to meet its targets.

The results of a recently undertaken SWOT Analysis and expert recommendations have alluded to a restructure of the Ministry. This would entail a greater focus on research and development, data collection and analysis, improved capacity in project building and execution, and streamlined coordination among programs within MED and with external partners.

It is our intention that this report provides a clear snapshot of the Ministry’s highlights over the past year, including lessons learnt and plans, and reflects the work and dedication of our staff, development partners and stakeholders.

CHAPTER 1 – Policy and Planning Unit (PPU)

Introduction

As per Directions in Writing issued 3 December 2020 laying out the mandate of the Economic Development portfolio under the Ministry of Finance, **Economic Development** and Investment, the main responsibilities charged cover the six areas listed below:

1. Capital Budget Preparation and Management
2. Development Finance Corporation (DFC)
3. Development Finance Institutions and Multilateral Financing Agencies
4. Economic Development Planning
5. Public Sector Investment Program (PSIP)
6. Statistical Institute of Belize (SIB)

In terms of the core responsibilities above, the PPU focuses on: (i) Economic Development Planning; (ii) Development Finance Institutions and Multilateral Financing Agencies; and (iii) Public Sector Investment Program. These areas are operationalized under three broad functions as listed below:

1. Medium Term Development Strategy (MTDS)
2. Donor Coordination and Resource Mobilization
3. Monitoring and Reporting on the Public Sector Investment Program

Main Achievements

Medium Term Development Strategy

The Ministry of Finance, **Economic Development** and Investment (MED) embarked on the preparation of a new medium term development strategy in collaboration with the Office of the Prime Minister (OPM) and the Sustainable Development Unit (SDU) of the Ministry of Sustainable Development, Climate Change and Disaster Risk Management (MSDCCDRM).

This process started in June 2021, where consultations with public and private sectors, academia and development partners were held. The proposed programmes and projects are based on a process of understanding our developmental challenges and identifying the priorities.

The programmes and projects of the Ministries reflect their commitment and a realistic assessment of what they can implement and deliver in the short and medium term. Efficient and effective implementation will require different degrees of coordination, collaboration, and communication within and across ministries, and partnerships with civil society, local governments, academia and external donors.

Several strategic initiatives, to be highlighted among the above, include:

1. Modernizing the public financial management systems to improve efficiency, effectiveness, transparency, and accountability in the use of the taxpayers' money.
2. Education for the workforce through relevant skills development, innovation, and entrepreneurship.
3. Modernizing the public services and human resource management by restoring the meritocracy system, eliminating minister discretionary powers, and strengthening good governance policies, regulations, and practices.
4. Strengthening our democracy through the appointment of the People's Constitutional Commission for a comprehensive review and reform of the laws of Belize, including the Constitution.
5. Social protection and primary attention to those staying behind, i.e., youth at risk, dysfunctional families, the Indigenous Peoples, remote communities, and special need groupings.
6. Diversification in agriculture with the blue economy, new growth industries, and MSMEs for food security and sovereignty, import replacement and substitution, and for export.
7. Rural transformation through infrastructure development (roads and houses), affordable and accessible financing, access to cheaper electricity via solar energy, and improvement of basic social services.
8. Digitalization to facilitate business investment and operation, by providing access to public sector services at minimum cost, bureaucracy, and time.
9. Climate-smart alternatives and natural resource conservation for different ecosystems of high importance for Belize.
10. With the support of MED, each ministry will develop their implementation plan and its monitoring and evaluation framework. Every year each ministry will produce an annual technical report with the progress achieved and lessons learnt for each program. The OPM will work with MED to monitor and assess delivery and accountability of government with respect to all the outcomes and commitments under the MTDS.

Donor Coordination and Resource Mobilization

Caribbean Development Bank (CDB)

CDB's support to Belize is guided by a Country Engagement Strategy (CES), last approved for the period 2016-2021. Consultations towards the development of a new strategy covering the period 2022-2026 were undertaken virtually in October 2021. The Bank's team, with the support of the MED, met with stakeholders across key and emerging development sectors to discuss constraints and potential areas of support that could be included in the CES. In recognition of the main factors limiting Belize's development, the CES 2022-26 will focus on building economic, social, and environmental resilience.

Therefore, projects are being discussed to support capacity building, citizen security, private sector and livelihoods enhancement; disaster and climate risk mitigation; and social sector support, to name a few. The CES proposes an envelope of USD 153 mn from CDB's resources, including concessionary loan financing from the Special Development Fund to the tune of USD 28.7 mn. Given the current climate and the impetus to secure more concessionary and grant financing, the Bank has confirmed that additional grants may also be accessed through

other special resources it is able to mobilize through arrangements with other entities. The CES is expected to be approved at the Board of Directors' meeting in June 2022.

In support of newly approved financing over the last financial year (2021-22), the PPU liaised with the OPM and executing ministries and agencies to facilitate the execution and satisfaction of conditions precedent for several financing agreements with the CDB. These ranged from support for restoration of services and infrastructure after the passage of Hurricanes Eta and Iota, to road upgrades, and interventions aimed at strengthening the capacity of agencies involved in trade facilitation.

Table 1. New CDB financed projects during 2021-2022 financial year

Project	Funding (BZD)/Type	Source of Funds	Signature Date
Philip Goldson Highway and Remate Bypass Upgrading Project	68,800,000 – Loan	CDB UKCIF	17/6/2021
	37,150,900 – Grant		17/6/2021
Basic Needs Trust Fund (BNTF) 10th Project	10,062,000 – Grant	CDB SDF 10	16/7/2021
Enhancing the Belize National Quality Infrastructure	256,623 – Grant	CDB - EPA CSME Standby Facility Resources	18/10/2021
Increasing Participation of the Belizean Cacao Industry in the Cocoa- Chocolate Global Value Chain	444,980 – Grant	CDB SDF 10	
	586,474 – Grant	EPA CSME Standby Facility	
Enhancing the Capacity of the Government of Belize to Facilitate Trade	683,120 – Grant	CDB	8/2/2022
Development of a Risk- based Sanitary and Phyto-Sanitary (SPS) Import and Export Control System for Belize	400,710 – Grant	CDB Special Fund Resources	25/2/2022
Restoration of Critical Infrastructure - Hurricanes Eta and Iota (November 2020)	5,000,000 – Loan	CDB SDF (U)	24/1/2022

Requests have been submitted to the Bank for assistance with water and sewerage expansion projects for North Ambergris Caye, Placencia, and Caye Caulker; support to the SIB for capacity building in the development of a multi-dimensional measure of poverty; and market expansion projects for the Orange Walk and San Ignacio and Santa Elena municipalities.

(i) North Ambergris Caye Water and Sewerage Expansion Project (Ph. I) – BZD 155 mn

The project aims to extend water and sewerage facilities to the north of the island. Detailed designs, construction specifications, cost estimates and tender documents have been prepared, but the cost will need to be revised given recent price increases. Support from the Bank could include additional technical assistance and identification of grant resources to complement loan financing that will be required for the investment.

(ii) Caye Caulker Sewerage System – BZD 25 mn

A high-level study revealed an increase in the demand for sewerage systems on Caye Caulker. Belize Water Services, Ltd. (BWS) intends to install a wastewater collection and treatment system on the island based on the demand study and an analysis of various treatment systems (including costs and phasing). A study financed by the Inter-American Development Bank (IDB) is underway to determine the feasibility of the system. Funding will be required for the investment thereafter, and CDB has been approached in this regard.

(iii) Integrated Water Supply and Sanitation Program: Placencia – BZD 80 mn

This project aimed to construct a wastewater treatment facility and address institutional and regulatory arrangements for the management of the sector on the peninsula. The project was placed on hold pending the outcomes of a nutrient fate and transport study that would inform the location of the treatment plant. This study has been completed and BWS is interested in pursuing detailed designs for the system, as well as assistance with financing for the investment.

The Government aims to secure funding on the most concessionary basis for the water and sanitation projects.

(iv) Multidimensional Poverty Index (MPI) Capacity-building in the Statistical Institute of Belize (SIB) – BZD 252,200

The CDB is providing support to SIB in the development of a multi-dimensional measure of poverty for Belize using the Alkire-Foster method to complement the current monetary approach. Under its Enhanced Country Poverty Assessment (eCPA) Program, the Bank will engage the services of the Oxford Poverty and Human Development Initiative (OPHI) to provide capacity-building training and support to SIB staff in computing the national MPI for Belize.

(v) Transformation of the San Ignacio/Santa Elena Farmers' Market – BZD 6.4 mn

This project was proposed by the San Ignacio/Santa Elena Town Council with a view to creating more opportunities for production, services and income generation for the local communities and reducing poverty. Proposed upgrades to the market include the construction of a permanent building to accommodate 120 vendors and a 60-space parking structure. It is estimated that preparatory studies and designs will cost BZD 600,000 and the structure, BZD 5.8 mn.

(vi) Transformation of the Orange Walk Farmers' Market – BZD 6.4 mn

The project involves the expansion and improvement of the existing market including construction of a two-story building to accommodate additional vegetable, artisan and food stalls; a mini-plaza with a food court; an entertainment center for hosting cultural, recreational and tourism-related activities; and a 60-space parking structure. The project aims to create more opportunities for production, services, and income generation to optimize the social, economic, and environmental benefits to the local communities and reduce poverty within the district. It is estimated that preparatory studies and designs will cost BZD 600,000 and the structure, BZD 5.8 mn.

World Bank

(i) Climate Resilient and Sustainable Agriculture Project – USD 25 mn

The Ministry was able to successfully negotiate a loan of USD 25 mn from the International Bank for Reconstruction and Development for the Climate Resilient (IBRD) and Sustainable Agriculture Project (CRESAP). In May 2022, the project was approved by the House of Representatives.

The Project targets an estimated 7,300 beneficiaries directly. Component 1 will impact around 7,000 farmers (i.e., around 70 percent of farmers registered in BAIMS) with agro-meteorological and other extension information. Matching grants provided under Subcomponent 2.2 are expected to benefit 3,700 farmers (3,300 small-scale farmers and 400 medium- or large-scale farmers and farmers in farmer groups), while infrastructure investments made under Subcomponent 2.3 are projected to benefit an additional 660 farmers. This would result in a total of 4,360 farm households (or 17,876 individuals, based on 4.1 family members per household) that are expected to benefit from investments made under the Project.

The project development objectives are to (i) increase agricultural productivity and the adoption of climate-smart agricultural approaches among project beneficiaries; and (ii) respond effectively to an eligible crisis or emergency event.

The results of the Project will be measured via the following PDO indicators:

1. Increase in the yield of crop and livestock products (maize, onions, sweet peppers, beef cattle) produced by targeted beneficiaries (percentage increase), disaggregated by gender;
2. Number of beneficiary farmers who have adopted an improved climate-smart agriculture (CSA) technology or practice promoted by the project (number), disaggregated by gender (CRI); and
3. Increase in land area under sustainable land management practices supported by the project (hectares) (CRI).

The Project will focus on Institutional Strengthening and Investments in Climate-Smart Agriculture which entails strengthening the capacity of participating financial institutions, individual farmers and farmer organizations participating in the CRESAP matching grants program in support of CSA investments. At the macroeconomic level, the CRESAP Project contributes to the fight against poverty which is a strategic priority in the Plan Belize MTDS.

(ii) Belize COVID 19- Response Project

The Ministry was able to successfully negotiate a loan of USD 6.2 mn from IBRD to support Belize's Response to COVID-19. At the macroeconomic level, the COVID-19 Response Project contributes to national health and well-being which is a strategic focus for the Plan Belize MTDS.

The proposed project will benefit the entire population of Belize and beyond. The direct project beneficiaries will be the 237,222 Belize inhabitants whose primary vaccination against COVID-19 will be financed by the IBRD loan, namely 169,722 persons aged 12 years and over, and 67,500 children aged 5-11. However, it is expected that the entire population of Belize will benefit from the project as COVID-19 vaccination is needed to achieve herd immunity in Belize and beyond, thus contributing to the country's economic recovery. In addition, investments in health system strengthening such as strengthening the outreach program are expected to benefit the younger children who are not yet eligible to be vaccinated.

The Project Development Objective is to support the Government of Belize in the acquisition and deployment of Project COVID-19 vaccines.

The Project will focus on the purchase and deployment of COVID-19 Vaccines as well as supporting the health system emergency response capacity.

(iii) Belize's Coastal Community-Based Climate Resilience Project – USD 200,000

Within the near-term Belize is preparing to access USD 200,000 from the World Bank's Climate Support Facility to support climate resiliency with the marine sector.

The fisheries and coastal zones sectors of Belize which are significant contributors to the national economy with regards to food security and in providing valuable tourism opportunities, are threatened by sea level rise and storm surge as well as rising sea surface temperatures. The Government of Belize, in its NDC, identified coastal and marine resources and fisheries and aquaculture as priority sectors requiring increased resilience and reduced vulnerability; however, the following barriers were identified:

1. There is a need to build capacity through research diversification and retraining to support livelihoods while protecting coastal ecosystems
 - a. This includes the development of alternative livelihoods plans for fishers and their households; and
 - b. strengthening resilience of local coastal communities and enhance ecosystem services
2. There is a need for enhanced coordination in implementation of legislation and policy
3. There is a need for a national policy for resilient coastal habitation based on vulnerabilities
4. There is a need for an informed coastal management zoning scheme and monitoring programs to determine the impact of human use on coastal habitats and marine ecosystems which will be addressed in the emerging National Blue Economy Strategy

5. Lack of Finance to implement adaptation activities

With the aim to address the barriers the project will set the stage for a more large-scale action to reduce the climate-related vulnerabilities of communities across Belize's coast; increase their resilience to climate variability, extremes, and change; and build the adaptive capacity required to ensure communities can maintain sustainable development pathways across a wide range of climate futures. This will be achieved by (i) identifying and developing scalable, locally appropriate actions to meet immediate and future community adaptation needs to create climate resilient sustainable development pathways, and (ii) strengthening and supporting government and civil society to facilitate local-level adaptation.

The activities under this project will build on the National Adaptation Plans for Belize's Coastal and Fisheries Sector by also providing important baseline information needed for building coastal resilience and improving the adaptive capacity of the fishing communities in the future. The project will benefit fishermen, fishing communities, Belize Fisheries Department (Ministry of Blue Economy and Civil Aviation), Coastal Zone Management Authority and Institute, and Belize's National Climate Change Office. Data gathered from this project will be vital to develop the climate rationale and a roadmap for fisheries and coastal zone projects allowing the availability of the necessary baselines that will allow further climate financing opportunities.

The data gathered will emphasize the high vulnerability of these coastal communities in Belize and the need to increase resilience to ensure the viability of the fishing communities. The data will be the basis for the climate resilience building roadmap for the coastal fishing communities and for the coastal fisheries sector creating the enabling environment for climate financing opportunities within this sector.

Inter-American Development Bank

The IDB Group Country Strategy with Belize 2022-2025 aims to help the country overcome the social and economic impact of the covid-19 pandemic and achieve robust, inclusive, and sustainable growth. The Strategy identifies three priorities areas that the bank will focus on for the medium term.

1. **Fiscal sustainability and management.** The Bank will provide support to the country's fiscal consolidation efforts and to address long standing fiscal vulnerabilities. the Bank will also support the design of a debt management strategy to prevent debt service from putting an unduly high pressure on the budget and compromise fiscal sustainability. On the revenue side, the IDB Group will assist in improving the efficiency of the tax system, rationalizing tax expenditures, and collecting tax arrears, complemented by efforts to strengthen and modernize the tax administration, providing digital tools to facilitate compliance and fight evasion. Finally, the Bank will provide support to institutionalize fiscal discipline through medium-term fiscal frameworks, explicit fiscal rules with clear escape clauses and independent fiscal councils.
2. **Private sector productivity and sustainable growth, with a focus on MSMEs.** The productive sector and the role of private firms, especially MSMEs, will be key to economic recovery. The Bank's efforts during the strategy period will focus on: (i) enhancing access to finance and financial inclusion for MSMEs, both for working capital and for productive investments, and enabling the creation of businesses facilitation processes, through the digitalization of government services; (ii) improving Belize's connectivity with regional and global markets, including export promotion, investment attraction, trade facilitation, through a Single Window for

key Foreign Direct Investment (FDI) sectors, trade agreements, and support services for exporting firms; (iii) promoting technology adoption among firms to explore new markets and clients, and strengthening the innovation ecosystem; and (iv) the continued provision of infrastructure services for the tourism and agriculture sectors (i.e., road infrastructure, sanitation, services for tourism), protecting the natural capital, and improving its resilience to natural hazards and climate change

3. **Human capital.** The Bank will promote the strengthening of human capital and employability with the current portfolio and new interventions with financial and non-financial instruments. Efforts will be focused on: (i) closing the existing skills gap, focusing on improving learning outcomes in primary and secondary schools and providing inclusive training in digital skills required for today’s jobs and jobs in sector with growth potential, such as STEAM data analytics, digital marketing, other coding skills, fostering the participation of vulnerable groups, and designing programs to develop abilities in new and relevant areas, such as renewable energy and energy efficiency; and (ii) strengthening the health sector, increasing its capacity to cope with additional demand, safeguarding the provision of services to non-covid-19 patients, and ensuring widespread vaccination as a condition for reopening schools and the reactivation of key industries.

Table 2. Recently Approved/Pipeline Projects financed with IDB

<i>Project name</i>	<i>Executing Agency</i>	<i>Funding Agency</i>	<i>Cost</i>
BL-L1038 Strengthening Public Expenditure Management in Belize	Ministry of Finance	IDB	USD 8,000,000
BL-T1143: Support Migration Initiative in Belize	IDB	IDB	USD 150,000
BL-L1041 Sustainable and Inclusive Belize Program	Ministry of Economic Development	IDB	USD 15,000,000
BL-L1040 Trade and Investment Facilitation Program	Ministry of Economic Development	IDB	USD 8,000,000
BL-L1039 Digital Innovation to Boost Economic Development in Belize	Ministry of Economic Development	IDB	USD 10,000,000
BL-L1042 Promoting Sustainable Growth in the Blue Economy Program	Ministry of Economic Development	IDB	USD 850,000

- (i) Strengthening Public Expenditure Management in Belize – USD 8 mn

The Government of Belize is committed to achieving a path of fiscal sustainability with a strategy centered on three areas: (i) expenditure reduction; (ii) increased revenues; and (iii) debt restructuring. To accomplish these objectives, the Government of Belize, through the MOF, and the Bank have agreed on the following activities: (i) implement an expenditure program aimed at achieving savings through efficiency gains; (ii) increase collection of tax arrears through activities of the IDB loan 4839/OC-BL in execution; and (iii) strengthen Macro-Fiscal sustainability. The specific objective is to strengthen public financial and expenditure management. This will contribute to the general objective of increasing the efficient use of public resources to support Belize’s economic

recovery. The total cost of the project is USD 8 mn. The duration of the project is 5 years. The program is comprised of a single component with four subcomponents, detailed below:

Component 1. Strengthening Expenditure Control (USD 7.2 mn). This component will finance: *Subcomponent 1.1. Financial management (USD 2.7 mn).* Improve the effectiveness of key expenditure functions by: (i) establishing a new cash management business model, to better manage and allocate financing resources; (ii) reorganizing the debt unit structure and implementing a new public debt business model, with capacity to quantify the fiscal impact of acquiring new debt and to simulate scenarios to optimize the country's debt management; (iii) establishing an internal audit unit within the MOF to strengthen the internal control model currently in use, and its expansion to all LM; (iv) acquiring two SmartStream modules, to support asset and project management; and (v) providing assistance to modify the budget classification and the COA to allow: (a) asset registration, and (b) the tracking of climate change and gender expenditures.

Subcomponent 1.2. Procurement (USD 2.2 mn). Promote competitiveness among suppliers in the acquisition of all goods and services, by: (i) establishing a procurement unit housed at the MOF to monitor and oversee procurement, including units to carry out Business Intelligence and Market Research, centralized procurement, supplier registry and support; (ii) reestablishing Proactis and integrating it with SmartStream, thereby allowing automatic commitment and payments; (iii) establishing a unit to standardize the prices of goods (reference prices) among all Line Ministries; (iv) implementing modalities that favor centralized purchasing and the aggregation of demand such as framework agreements and collaborative procurement.

Subcomponent 1.3.30 Technological Infrastructure (USD 650,000). Increase data center processing and storage capacity by: (i) expanding the Ministry of Finance datacenter hardware capability; and (ii) implementing basic data analytics tools.

Subcomponent 1.4. Strengthening Capacity Building (USD 1.65 million). Improve institutional capacity for personnel to carry out processes and operate systems efficiently by: (i) establishing and staffing of an e-Learning Training Unit in the Ministry Public Service; (ii) evaluating the knowledge level of staff in Public Finance Management (PFM); (iii) performing personnel training and certification in PFM; and (iv) establishing a change management program, including a communication strategy.

Project administrative costs (USD 800,000). Including: (i) Project Executing Unit (PEU) (USD 500,000); (ii) evaluation (USD 200,000); and (iii) audit (USD 100,000).

(ii) Support Migration Initiative in Belize – USD 150,000

The general objective of this technical cooperation project is to increase government capacity to produce and analyze data related to migration to support project evaluation and decision making in Belize. The specific objectives are: (i) to support the Ministry of Foreign Affairs, Foreign Trade and Immigration (MFA) in the digital transformation process of its migration services, and (ii) to support the Ministry of Education, Culture, Science and Technology (MoECST) in the evaluation of EQIP II (BL-L1030), specifically on the situation of migrant students in the wake of the COVID-19 related school closures. The total cost of the project is USD 150,000. The duration of the TC is 24 months. To achieve its objectives, the TC is structured around three components: (i) Strengthening of the Immigration Departments' institutional capacity (USD 80,000); (ii) Evaluation of the Situation of Migrant and Refugee Students (USD 50,000); and (iii) Dissemination of the findings (USD 20,000). Diversity will be a

crosscutting element throughout all components. To obtain as much representation of all populations affected by migration as possible, ethnic, language, and nationality diversity will be considered during design of activities.

(iii) Sustainable and Inclusive Belize Program – USD 15 mn

The objective of this investment loan will be to improve incomes and promote sustainable livelihoods in the agriculture and tourism sectors. To reach those objectives, the project will seek to improve MSMEs competitiveness, climate resilience, and environmental sustainability. The beneficiaries will be vulnerable populations who are individual entrepreneurs (including farmers), members in associative arrangements, and /or owners of MSMEs of the selected sectors. The operation will specifically target women, youth, indigenous people, and afro descendants. The total cost of the loan is USD 15 mn. The operation will be composed of two components; 1. direct support to individual entrepreneurs, MSMEs, and Association (USD 11 mn) and component 2. Policy and institution strengthening (USD 3 mn).

(iv) Trade and Investment Facilitation Program – USD 8 mn

The general objective of this operation is to improve Belize's external position to foster inclusive and sustainable growth. The specific objectives are to: (i) facilitate FDI flows into the country by simplifying and automating key investment procedures; (ii) increase FDI flows and its positive spill overs in the local economy, through the improvement of investment promotion programs and the development of a new linkage program to accelerate processes of SMEs internationalization (which will promote the growth of indirect exports of the local firms in Belize); (iii) strengthen trade facilitation by simplifying and automating key trade procedures. Total cost of the project is USD 8 mn.

Component I: Facilitate investments in Belize through the implementation of a Single Investment Window (SIW) (USD 2.5 mn). It seeks to increase FDI flows to the country in the pilot sectors covered in the implementation of the digital SIW. Activities proposed: (i) assist regulatory and governance alignments; (ii) diagnostic of processes and measurement of KPIs; (iii) technological development and implementation of key FDI processes on the SIW, integrating different platforms and ensuring sustainability.

Component II: Export Development and Investment Promotion (USD 3.5 mn). The objective is to increase the positive spill overs of FDI in the local economy through the improvement of investment promotion programs and the development of a new linkage program to accelerate processes of Small and Medium Enterprises (SMEs) internationalization, which will promote the growth of indirect exports of the local firms in Belize. Proposed activities: (i) FDI promotion programs (including lead generation, facilitation and aftercare services) through adoption of new digital tools, which will contribute in: 1. the identification of existing gaps for integrating local supply and talent, and 2. the connection of offer and demand; (ii) export development through strengthening capacities of the local firms (goods and services) for their competitive insertion in global value chains (GVCs) through the use of artificial intelligence to identify target SMEs that could benefit more of the strengthening capacities program, and key anchor companies that could potentially have a higher contribution to the objectives of the intervention. Examples of interventions include (i) adoption of international management standards, (ii)

upskilling (managerial and technical skills) or certifications on required technological, sustainability and quality certificates.

Component III: Trade Facilitation (USD 1.2 mn). It seeks to increase the competitiveness of exporters through greater trade facilitation. It will finance, among others, activities of: (i) gap analysis of current platform, and identification of barriers from a triple perspective: technology, usability and integration with international systems; (ii) development of a functional digital one stop shop that simplifies and automates key trade procedures, in alignment and compatibility with ASYCUDA World.

(v) Digital Innovation to Boost Economic Development in Belize – USD 10 mn

The objective of the loan program is to reactivate economic growth among MSMEs in Belize by promoting digital innovation. This initiative will improve the digitalization of the Vital Statistics Unit as well as the digitalization of Land Registry. The specific objectives are to: (i) stimulate MSME increase in sales and efficiency through digital transformation; and (ii) increase the supply and access to digital services for MSMEs.

Component 1. Digital transformation for MSME growth (USD 5 mn). This component will finance activities to: (i) stimulate MSME's demand for digital transformation and digital innovation; and (ii) enhance local digital capacities for MSME through two sub-components.

Subcomponent 1.1 Demand for digital technology and innovation (USD 3.6 mn). This sub-component will support MSMEs, especially women led MSMEs, at their different stages of digital and innovation maturities. Specifically, it will: (i) expand the Belize Trade and Investment Development Service (BELTRAIDE) online knowledge repository to facilitate access data on digital maturity and innovation diagnostics for MSMEs and articulation between demand and supply of digital services in the ecosystem.

Component 2. Digitalizing government services to support MSMEs (USD 4 mn). This component will digitalize government transactions related to services provided to MSMEs. Specifically, it will finance: (i) the initial phase of an interoperability platform to support the information exchange for key government services for MSMEs (i.e. business registry, land registry, tax services); (ii) design and implementation of an E-portal for government services for MSMEs to provide a single sign-on access and consolidated information regarding these services; (iii) reengineering and digitalizing of prioritized government-to-business services, such as the land registry, that are important to improving the enabling environment for businesses; (iv) gender sensitized capacity building in designing, developing and managing digital services to MSMEs, and the design and implementation of a change management strategy to ensure sustainability; (v) gender sensitized communications campaign targeted to MSMEs and increasing their awareness and use of digital government services; and (vi) regulations and standards to enable the provision of digital services.

Project administration and management (USD 1 mn). The operation will fund program management costs such as auditing, monitoring, supervision, intermediate and final evaluation, and impact evaluation of the program. This component will also provide specialized advisory services and the set up and development of a specialized information management system that will support data collection for monitoring and evaluation, as well as digitalize the eligibility and selection processes for the different calls.

(vi) Technical Cooperation (TC): Promoting Sustainable Growth in the Blue Economy Program – USD 850,000

The objective of this TC is to provide the GOB with technical knowledge and preliminary technical inputs necessary for the design and early implementation stages of the loan project - Program to Promote Sustainable Growth of the Blue Economy (BL-L1042). The loan project BL-L1042 is currently in its formulation stage, with a target approval by the end of 2022. The term "blue economy" as used in the TC and the loan project is defined as "a concept that promotes economic growth, social inclusion, and the maintenance and improvement of livelihoods, while at the same time ensuring the sustainability of the marine and coastal environment. The total cost of the loan is USD 850,000. This operation consists of three components:

Component I: Development of standardized supporting documents needed for loan preparation. The individual consultants will support the preparation of the various documents (or loan proposal annexes) required during the BL-L1042 formulation stage., e.g., project monitoring and evaluation plan, ex-ante economic analysis, environmental and social risk and impact assessments, public consultations, etc.

Component II: Specific/thematic technical advisory mainly necessary for loan formulation. The individual consultants will provide input on a wide range of national, regional, and international expertise (e.g., Japan, where has a lot of experience in infrastructure development and resource management in the sector) needed during the formulation of the Loan Project. Subjects may include the general diagnostics (status and trends) of fisheries resources and fishing activities in the Gulf of the Caribbean, and how to efficiently conduct fishery resource monitoring.

Component III: Preliminary analytical studies mainly necessary for loan initiation or early implementation. Firm consultants will conduct preliminary studies considered beneficial before fully implementing the loan project. Activities may include, for example, an analysis of the potential impact of climate risks on fisheries/marine natural resources and preliminary study (e.g., through interviews) of pre-promotion and branding for Belize seafood products to be widely known.

United Nations Belize

The United Nations works to support the Government of Belize in strengthening national capacities to achieve sustainable and inclusive development that aligns with the Sustainable Development Goals (SDGs). The United Nations Multi-Country Sustainable Development Cooperation Framework 2022-26 (UN MSDCF) defines how the UN engages with the Caribbean and serves as the basis for the UN's Country Implementation Plan (CIP) which works to achieve shared priority areas between the UN and the government. The government's priority areas are outlined in the MED-led report – the Medium-Term Development Strategy 2022-26. The UN priorities are defined by four main pillars: Shared prosperity and Economic resilience, Equality, Well-being & Leaving No One Behind, Resilience to Climate Change/Shocks & Sustainable Natural Resource Management, and Peace, Safety, Justice, and Rule of Law.

UN Belize is currently working with government to validate the CIP 2022-23 that will operationalize the UN MSDCF over the two-year period.

(i) SDG Joint Fund Program: Building a Resilient Belize – BZD 1,980,800

One of the ministry's main achievements was securing funding for the SDG Fund Joint Programme: 'Building a Resilient Belize through Universal, Adaptive and Sustainable Social Protection'. In collaboration with other national counterparts and UN agencies such as UNICEF, World Food Programme (WFP), and the International Labour Organization (ILO), this joint program aims to strengthen Belize's foundations for an integrated social protection system to target economic growth and poverty reduction through the development and implementation of a National Social Protection Strategy. The total cost of the project is BZD 1,980,800 and has a duration period of two years. So far, MED has led the coordination efforts in these initial phases and has made tangible developments with pilot projects such as:

1. A draft Social Protection Floor paper tabled to Cabinet along with the Ministry of Human Development.
2. Disaster Risk Financing Pilot for Shock-responsive Social Protection: WFP has topped-up our insurance premium with a starting premium of USD 100,000 to be added to our CCRIF disaster insurance policy, exclusively for the use of social protection measures during disasters.
3. ILO consultations for technical support in providing value chain analysis and development.

Apart from the SDG Fund JP, MED has also facilitated the discussions for the United Nations Environmental Programme (UNEP)'s technical and legal assistance in improving our environmental governance:

1. Technical assistance in measuring our fossil fuel subsidies to create fiscal space for greener alternatives.
2. Technical and legal assistance in developing Carbon Credit Legislation.

CARICOM Development Fund (CDF)

In 2011, a Country Programming Approach was adopted by CDF and assistance provided under the umbrella of the Country Assistance Programmes (CAPs). An assessment and subsequent adoption of a results-orientated CARICOM Cohesion Policy is currently being conducted. The focus areas of the CAPs are determined at the beginning of a Contribution and Subvention Cycles and aligned with national agendas. CDF's First Contribution Cycle was from 2008 to December 2015 and focused on the programming needs of Less Developed Countries (LDCs). The current Second Cycle is focused on addressing disparities that cause constraints to full implementation of the CARICOM Single Market and Economy (CSME).

Belize's current CAP consists of nine projects (8 grants: USD 4,792,194 and 1 loan: USD 3 mn) total value of USD 7.792 mn. These projects are being implemented by the Ministries of Agriculture, Food Security and Enterprise, DFC, BELTRAIDE, Belize Social Investment Fund (BSIF) and MFEDI. Namely, the projects are:

1. Honey Production Redevelopment Project (USD 281,959)
2. Covered Structures Project (USD 198,495)
3. Private Sector Financing (L USD 3 mn)
4. Capacity support to the DFC (USD 100,000),
5. National Investment Policy and Strategy (USD 300,000)
6. Belize Enterprise Revolving Fund (USD 500,000)
7. Rudimentary Water System (USD 800,000).

Two projects are about to be closed:

1. Financial support due to socioeconomic impact of Covid 19 (USD 2,272,990)
2. Strengthening the capacity of the MED to Implement the Public Sector Investment Program (USD 338,750)

Central American Bank for Economic Integration (CABEI)

Key achievements in government's engagement with CABEI include:

1. Feasibility studies for 5 new Hospitals in Belize for Orange Walk, Belmopan, San Ignacio, Stann Creek and Toledo. This study includes the building of a tertiary care facility in Belmopan, along with a University Hospital. The feasibility study will determine the terms of references for the construction and equipping of new hospitals in Belize.
2. Approval of a loan agreement in the sum of USD 24 mn for the rehabilitation, upgrade, and expansion of the Phillip Goldson Highway from miles 8.5 to 24.5. This will complement the already approved rehabilitation of 77 miles under CDB and United Kingdom Caribbean Infrastructure Partnership Fund.
3. Bicentennial Scholarship Program – This program seeks to improve social welfare and improve access to high school education for students from low-income families. Countries in the program are eligible to receive up to USD 625,000 over five years.
4. Covid-19 Grant – USD 500,000 grant was given to Belize in June 2021 to assist the government in its efforts to combat the pandemic.

Public Sector Investment Program

The Public Sector Investment Program is the set of projects proposed, being formulated, or being executed by or on behalf of the Government of Belize for the achievement of national development objectives.

As part of the PSIP mandate and the national development imperative, Policy and Planning Unit personnel are involved in project identification, formulation, and implementation. In the earlier stages, the Unit is to promote the alignment of projects proposed for inclusion in the PSIP with national and global development objectives. During implementation, officers sit on project steering committees, participate in funding agency supervision exercises, and support project management units in areas including the procurement of goods, works and services. The MED is represented on Project Steering Committees (PSCs) including those for the George Price Highway and Climate Vulnerability Reduction Projects (IDB), the Second Road Safety, and the Coastal and Phillip S. W. Goldson Highway Upgrading Projects (CDB), and the Energy Resilience for Climate Adaptation Project (WB/IBRD).

The Unit generates a quarterly report on projects in the PSIP, providing the list of proposed projects; advances made in the formulation of projects in the pipeline; and brief updates on progress and expenditure during and up to the end of a given quarter for projects that are ongoing. The Report includes a description of each project, start and end dates, funding agencies and funding types; and classifies projects within 4 main sectors: Economic Infrastructure, Economic Services, Social Services, and Public Administration. Between April 2021 and March 2022, 4 reports have been released, as follows:

Table 3. Reporting Schedule for the Public Sector Investment Program

Report Quarter	Release Date
October - December 2020	July, 2021
January - March and April - June 2021	October 2021
July - September 2021	December 2021
October - December 2021	February 2022

Preparation of the March 2022 Report, including an update of the expenditure information provided for December 2021, is underway. A copy of the released December 2021 report is annexed and may be accessed at <https://med.gov.bz/quarterly-psip-reports/>.

Lessons Learnt

Many existing programs and projects, while effective during its planning and implementation phases, lack the adequate monitoring and evaluating systems necessary for sustainable success. We have also determined that the transfer of knowledge is important to encourage, especially in the case of international consultants to equip local personnel, improve capacity-building, and ensure the continuity and longevity of projects. A final lesson learned is in reference to the competing demands that delayed the completion of the MTDS. Future consideration should be given to outsourcing some of the work.

Future Priorities and Plans

Medium Term Development Strategy

The Medium-term Development Strategy 2022-2025 is being finalized and a results framework will be necessary to undergird monitoring, evaluation and learning during its implementation. Officers in the PPU will support this effort, partnering with the Sustainable Development Unit and the Office of the Prime Minister to promote the establishment of monitoring and evaluation systems in all ministries.

Donor Coordination and Resource Mobilization

Development Partners' Forum

The Ministry is developing a development partner coordination mechanism aimed at enhancing coordination between and among agencies supporting Belize's development. An institutional framework needs to be developed.

Caribbean Development Bank

1. The CES 2022-26 with the Caribbean Development Bank is expected to be finalized in June 2022. Thereafter, actions will be taken to prioritize, schedule and initiate preparation of the proposed interventions. Work in this regard will include collaborating with the Bank to identify concessionary resources that will optimize development impact while keeping the national debt at manageable levels. Monitoring and evaluation will also form a key element of the Strategy and CDB/GOB interactions going forward.

World Bank

1. The World Bank is currently collecting initial country data to carry out a Public Expenditure Review for the country of Belize. The review is expected to be carried out with a priority focus on the Health and Education Sectors.
2. The Global Environment Facility 8th Replenishment Cycle is set to start in July 2022. Belize will be able to access over 4 mn in grants to assist with Climate Resilience Environmental Projects.
3. The World Bank has hired a consultant to carry out a study to design a Digitization Strategy and Implementation Map for the Port of Belize and the Big Creek Port. The Study will assist Belize to move towards having Smart Ports that are technologically advanced and, on par with regional and international ports.
4. The Government of Belize is currently exploring assistance for a Secured Transactions and Collateral Registry of Belize. The Registry will provide an opportunity for the implementation of a legal reform to create key financial infrastructure for the extension of credit based on moveable assets.
5. The Government of Belize is in discussion with the World Bank to get support to include Belize in an Emergency Preparedness and Response Assessment for Caribbean Countries. The initiative is aimed at enhancing the capacity of governments to systematically prepare and respond to emergencies and utilizes a conceptual framework that covers several key elements. The assessment is built upon the Ready2Respond (R2R) framework developed by the Bank which investigates critical aspects of emergency preparedness and response systems to enhance the capacity of governments to systematically prepare for and respond to emergencies by taking a comprehensive view of the systems that protect countless lives, deploy resources, and improve development outcomes. The R2R informs investment plans and provides clear and actionable recommendations tailored to the country context. The R2R will help identify investments in areas related to (i) legal and institutional framework, (ii) personnel, (iii) facilities, (iv) equipment, and (v) information management.

UN Belize

1. Continue working along with the national authorities and participating UN agencies to effectively achieve the outcomes of the SDG Fund Joint Programme.
2. Explore investment opportunities based on the SDG Investor Map produced by the UNDP.
3. Facilitate further collaboration regarding Belize's environmental priority areas through the assistance of UNEP and other partnering agencies.
4. Work along with the UN to finalize the CIP 2022-23.

CABEI

1. Explore funding for the rehabilitation of the Corozal Freezone entrance.
2. Pre-investment for feasibility study of the Belize Swing Bridge. An inspection of the bridge was carried out by a technical mission on February 28, 2022. Information to be provided will assist with elaborating a technical cooperation for a feasibility study.
3. Non-reimbursable technical assistance for the Sustainable Tourism Path for Belize. National Tourism Master Plan, Curriculum Development for National Hospitality Training Institute, and the design of a National Marina Development Plan.
4. ANRI Modernization project - The Agriculture and Natural Resource Institute seeks to provide expert teaching and necessary equipment to the second only agriculture-based school in Belize. The equipment will be used for crop and livestock production, improving competence of graduates and increased skill labor force in southern Belize.
5. Adult and Continuing Education Improvement project (ACE) - This concept note on grant funding will assist adults wishing to continue their education in a subsidized approach. Five hundred students will receive USD 500 per student over a 4-year period to assist in the completion of studies, reducing the out of school population.

Public Sector Investment Program

The Ministry will continue to fine-tune efforts to present more accurate and timely information on the PSIP, including by introducing greater internal accountability in information-gathering and reporting. Quarterly reports will be more widely disseminated as part of a thrust towards greater accountability to the Belizean people regarding the use of taxpayers' dollars.

The Ministry anticipates that necessary enhancements to the PSIP Management Information System (MIS) that was developed with financing from the CARICOM Development Fund to strengthen the Ministry's capacity to monitor the PSIP will be possible in the coming year, allowing for the rollout and implementation of the system. Attendant to the proposed enhancements will be the articulation of standard operating procedures and processes documenting roles and responsibilities of stakeholders as it relates to the management of public investments.

Beyond standard operating procedures for PSIP management and reporting is the need to review and enact draft legislation that already exists for the institution of "a system of public sector investment that promotes efficient allocation of resources with the aim of achieving benefits in a most cost-effective way by observing principles of good governance". This legislation and the accompanying regulations (also in draft form) will establish a framework for public sector investment programming and management that will promote the attainment of the benefits promised through development projects.

Develop a system, whether that be a formal procedure or establishment of a relationship between focal points, that allows all relevant donor-executed projects to be captured in the PSIP report. These types of projects have proven challenging to report on.

Recommendations

1. The work of the MED has evolved over the years to the point that there have been shifts in activities occasioned by capacity constraints internally and in the wider ecosystem. Global shifts and changing priorities have resulted in a broadening of activities within the mandate, that has not been accompanied by additional resources. A strategic planning exercise is necessary to review the activities of the Ministry and ensure alignment with the Directions in Writing and development objectives. The results of this exercise will identify resource requirements, inform resource allocation and division of labor decisions, and highlight areas for capacity-building - justifying the ministry's access to the resources it needs to effectively deliver on its mandate.
2. Greater collaboration and clarification of roles and responsibilities is required between MED and the Ministries of Finance and Foreign Affairs as it relates to planning, PSIP programming, and budgeting, and development partner coordination, respectively. Greater collaboration should also be pursued with the SIB and the Central Bank of Belize.
3. It is recommended for us to be more proactive in seeking out sustainable financing to foster the economic growth for the environmental and marine sectors of Belize. Based on past experiences, the pace of project implementation can be strengthened.
4. Formalization of the PSIP process across ministries and agencies to ensure efficient and timely participation to deliver a comprehensive report.
5. Strengthening of a results-based approach within the ministry, including a formal strategic plan which can inform all unit work plans, supported by clear objectives and performance metrics to promote good monitoring and evaluation.
6. Capacity building for project management staff (procurement, project management, monitoring and evaluation, etc.)
7. Clear lines of communication to development partners are vital. This allows the creation of a streamlined channel where everyone can be updated on requests made and requests pending as the development of concept notes and strategies emerge.
8. Opportunity to strengthen internal communication within and across units.

CHAPTER 2 – Climate Finance Unit (CFU)

Introduction

The Government of Belize created the Climate Finance Unit (CFU) in January 2022 as a result of the 26th meeting of the Conference of Parties (COP26) in 2021, to maximize Belize’s access to climate finance. The Unit’s mandate is to: (i) translate climate change adaptation, mitigation, preparedness and resilience plans into implementable and finance ready projects; (ii) act as the expert hub on climate finance in Belize; (iii) update, review and monitor climate finance strategy of Belize; (iv) facilitate, support and coordinate project development and proposal submission from GOB and other entities and act as the clearing hub for climate proposals; (v) lead Belize’s international climate finance advocacy and networking efforts. Since its inception, the CFU became the operational focal point for the Green Climate Fund (GCF) portfolio.

Main Achievements

Approved Funding

As the National Designated Authority (NDA) to the Green Climate Fund (GCF), the CFU managed to access technical support to finalize Belize’s country’s programme for engagement with the Fund for the next five years. The country programme (CP) includes a list of five priority projects and programmes and a list of twenty-two fast-track and non-fast-track projects/programmes gathered through extensive consultations with stakeholders. In addition, the GCF approved BZD 1,998,626 in readiness support to seek the accreditation of BSIF and MED to access climate finance. Additionally, a traditional savannah fire management readiness was approved by the GCF that will support Belize in addressing issues such as forest degradation and loss of biodiversity that affect the most vulnerable populations, and which are being compounded by an increase in fires during the dry season.

Project Implementation

The CFU is currently transitioning to the implementation phase for several adaptation and mitigations projects approved by the Fund.

Presently, the NDA along with the Belize Sugar Industry and the Caribbean Community Climate Change Centre (CCCCC) as the Accredited Entity are implementing a project preparation facility of BZD 1.2 m grant. This grant is to carry out the necessary studies such as a feasibility study, environmental and social safeguard assessment, stakeholder engagement and other studies to assist in developing a full funding proposal valued at BZD 40 mn grant, to build the adaptive capacity of sugarcane farmers in Northern Belize.

Additionally, the NDA of Belize, Jamaica, Saint Lucia and CDB as the Accredited Entity are implementing a regional project preparation facility valued at BZ 1.2 mn grant. This grant will assist in carrying out the necessary design and feasibility work for the programme. The programme aims to scale up investment in climate action among MSMEs and homeowners by improving their access to credit via the Development Finance Corporation while also enhancing the capacity of the institution and other financial services stakeholders in Belize to better understand, assess and manage climate-related risks in their lending and operations. The total amount of the programme requested from the GCF is USD 68.25 mn (USD 35 mn senior loan and USD 6.998 mn grant) with the additional amount co-financed by CDB as the accredited entity.

New Funding Agencies

A key mandate of the CFU is to identify new funding agencies. As of January 2022, the Unit has engaged with two funding agencies that will allow GOB to advance our development and climate priorities.

The first new funding agency is the NAP Global Network Country Support Hub. In February 2022, the CFU held a meeting with the NAP Global Network (NAP GN) - an initiative hosted by the International Institute for Sustainable Development (IISD) with funding provided by Irish Aid. Through their Country Support Hub, the NAP GN offered BZD 60,000 in technical assistance to complement and advance activities linked to Belize's National Adaptation Plans (NAP). It was agreed that the technical assistance would be used to develop two vulnerability and livelihood assessments in Placencia and Caye Caulker, that would complement the USD 600,000 Fisheries and Coastal NAP approved by the GCF. Once this initial project has been executed, Belize can submit additional proposals to the NAP GN to request further support.

The second funding agency the CFU has engaged with is the Biodiverse Landscapes Fund (BLF) under the UK Department for Environment, Food & Rural Affairs. This is a GBP 100 mn grant programme that is focused on protecting biodiversity, reducing poverty, and reducing the impact of climate change in key terrestrial areas identified by the Fund. Belize is positioned to receive up to GBP 15 mn in grant funding as a member of the Mesoamerican Landscape, along with Honduras, El Salvador and Guatemala. The CFU was contacted by the UK High Commissioner to arrange a meeting with the BLF team upon their arrival in Belize in May 2022; this meeting was postponed due to COVID-19 but will be rescheduled in alignment with public health protocols.

Lessons Learnt

The CFU has realized that additional capacity building is required to strengthen national entities and mechanisms such as the Belize National Climate Change Sub-Committees, to aid in the development, review, and submission of quality proposals to the funding agencies.

Furthermore, over the last few years GOB has not taken advantage of other financial mechanisms available such as concessionary loans, grants, and equities from the GCF since a percentage of the fiscal space has not become available for climate change initiatives.

Through several engagements with the private sector, it has become clear that the MSMEs in Belize are not well-positioned to access loans and other financial instruments due to indebtedness and insufficient capacity building and resources. Projects and programmes that are proposed by private sector entities often include activities that may not be eligible for grant funding, and therefore require co-finance such as concessionary loans or equities. To address these gaps, the CFU is seeking the accreditation of DFC to the GCF, to provide the private sector with technical support, concessionary loans, and blending.

Future Priorities and Plans

To achieve the Plan Belize MTDS objectives, the CFU plans to embark on a more robust communication, networking, and advocacy strategy in collaboration with National Climate Change Office and other partners, to access climate finance and act as the expert hub to assist other entities in project design and project development etc.

In alignment with the Ministry's mandate, the CFU is committed to building the national capacity and providing support to both the public and private sector and civil society organizations, in accessing finance for climate-focused initiatives. This will be achieved by fast-tracking the accreditation of DFC to access up to USD 50 mn in concessionary loans and other financial instruments to assist the MSMEs in Belize to adapt and mitigate the impacts of climate change that are hindering their operations. In addition, the CFU is also supporting the accreditation of BSIF and MED to complement the accreditation of the Protected Areas Conservation Trust (PACT) and DFC.

The CFU is also looking forward to officially becoming the NDA to the Adaptation Fund to complement and upscale projects/programmes being funded under the GCF, or vice versa. Also, the CFU will work closely with partners across multiple sectors to ensure they can access the Adaptation Fund as a new funding source.

Another priority of the CFU is to fine tune the GCF Country Programme with assistance of a GCF expert for cabinet endorsement and to be published on the GCF website by the end of June 2022. With this updated CP, the GCF will know what the Government's top priorities are. The CFU will continue to work with key partners, such as CABEL, CCCCC, and CDB to further develop project ideas/programmes included in the CP into full funding proposals for submission to the GCF.

In April 2022, GOB launched the Nationally Determined Contribution (NDC) Implementation Plan. This is a detailed roadmap that outlines specific objectives to achieve Belize's updated NDC targets and related outputs, broken down into achievable steps for each sector. The CFU will work alongside stakeholders under the guidance of the Belize National Climate Change Office (NCCO) to strengthen the country's capacity to deliver on the goals outlined in the NDC.

CHAPTER 3 – The Belize-European Union Cooperation

Introduction

The Government of Belize (GOB) and the European Union (EU) have a longstanding relationship in development cooperation. Since the inception of the Belize–EU cooperation in 1986, the EU has committed over EUR 200 mn in grant funding to improve the standard of living of the Belizean people. The EU has been and continues to be the leading grant aid donor to Belize.

Through the Belize—EU cooperation, the EU commits financing to Belize. The European Development Fund (EDF) 11 is the most recent financing instrument that has provided Belize with EUR 27 mn between 2014 and 2020. The focus areas for projects are Energy and Health with a minor intervention in the Public Finance Management (PFM). Projects funded under this programme are still ongoing.

The GOB and EU are in a new Financing Cycle, called the Neighbourhood Development and International Cooperation Instrument (NDICI). This Financing cycle is for a 6-year period, between 2021 and 2027. The Government of Belize Multi-Annual Indicative Programme (MIP) identified two priority areas for financing which are aligned with policy frameworks of the country, namely Horizon 2030, and Plan Belize MTDS. The priority areas are as follows: (i) Green Growth and Sustainable Socio-Economic Development (Stann Creek and Toledo Districts); and (ii) Regional and Border Management.

The management of the Belize—EU development partnership falls under the portfolio of MED. The Unit was formerly known as the National Authorizing Office; it is now proposed to be called the Management Service for Externally Funded Projects (MSEFP). Its role, which is currently evolving, is to support and monitor line ministries in the implementation of the 11th EDF and MIP 2021-2027 actions across all levels. The Unit interfaces between the government, the EU, local stakeholders, and regional institutions. Therefore, the overall objective of this Unit is to contribute to the successful execution of the 11th EDF and MIP 2021-2027 for the mutual benefit of Belize and the European Union. One of the new functions of the Unit is the enhancement of donor coordination between international partners and governments for efficient use of domestic and external resources.

Main Achievements

European Development Fund – EDF 11 (Ongoing)

Below is a breakdown of projects under the Health, Energy and Public Finance Management sectors which are ongoing:

HEALTH SECTOR

Project 1:

Project: Health Sector Support Programme Belize
Implementing Partner: Pan American Health Organization (PAHO)
Duration: 72 months – September 2018 to September 2024
Total Value: EUR 8,800,000

The Health Sector Support Programme Belize is comprised of three (3) strategic objectives:

1. SMART Health Facilities – Develop efficient disaster resilient and environmentally friendly health facilities

Value: EUR 4,500,000

Activities:

- a. Retrofitting of 5 health facilities (Punta Gorda & Corozal Community Hospitals, Southern, Northern, and Western Regional Hospitals) and The Central Medical Laboratory.
- b. Revised MOHW Maintenance Policy and Procedures and Training of maintenance personnel.
- c. Multi-hazard Plan and capacity building in disaster preparedness and response

2. Health Systems Strengthening – Improve the structure, organization, and management of health services

Value: EUR 2,300,000

Activities:

- a. Re-organized the health system with improved efficiencies and organizational management, fostering partnership with different stakeholders
- b. Integrated Health Service Delivery Network (IHSDN) implemented in all regions, including primary care services
- c. M&E System for the health sector developed and implementation supported
- d. Result-based management, strategic planning, and program budgeting training supported
- e. National Nutrition Policy developed and health education for Non-communicable Disease (NCDs) promoted
- f. COVID Emergency Response – EUR 500,000 was re-oriented to support the Government of Belize. Testing kits, equipment / supplies were procured, along with health promotion campaign.

3. Clinical Data Exchange Platform – Support tender installation and operationalization of the Clinical Data Exchange Platform (CDEP) software for the MoHW

Value: EUR 2,000,000

Activities:

- a. Development of the Clinical Data Exchange Platform (CDEP);
- b. The adaptation of existing information systems for connecting with CDEP

Project 2:

Project: Technical Assistance – Establishment and operationalization of the CDEP software and expanding the infrastructure of the current BHIS

Implementing Partner: European Union

Contractor: Proman

Duration: 36 months – January 2021 to January 2024

Total Value: EUR 860,000

Objective:

To provide technical assistance to the Ministry of Health and Wellness and PAHO with the development and implementation of the CDEP software and upgrading of the Belize Health Information System (BHIS).

Project 3:

Project: Technical Assistance – Upgrading of the BHIS – COVID-19 case and patient tracking

Implementing Partner: European Union

Contractor: Populus

Duration: 6 months – March 2021 to September 2021

Total Value: EUR 386,537

FY 2021/22: *Estimated expenditure EUR 386,537*

Objective:

To provide technical assistance to the Ministry of Health and Wellness to upgrade/strengthening of the Belize Health Information System (BHIS) with an organized surveillance and data management system, regarding COVID-19 case and patient tracking.

PUBLIC FINANCE MANAGEMENT SECTORProject 1:

Project: Technical Assistance to the Government of Belize for the implementation of the PFM support Programme

Implementing Partner: European Union

Contractor: Ecorys Nederland B.V.

Duration: 36 months – 14 February 2019 to 13 February 2022

Total Value: Euro 1,095,000

Objectives:

- a. PFM legal framework of the internal and external audit and Contractor General improved.
- b. Capacity of Auditor General Department's and Office of Contractor General's strengthened.
- c. PFM actions implemented through guidance, advice and provision of expertise.
- d. Coordination within the PFM sector improved.

Project 2:

Project: Supply of IT Equipment to the Government of Belize

Implementing Partner: European Union

Contractor: Excelor (Bulgaria)

Duration: 7 months – 01 March 2021 – 30 September 2021

Total Value: EUR 104,404

FY 2021/22: *Estimated expenditure EUR 104,404*

Description:

The procurement of desktop computer, laptops, printers, servers and scanners for the Ministry of Finance, Contractor General, Auditor General, and Accountant General.

ENERGY SECTOR

The Financing Agreement (FA) entitled the “Belize Sustainable Energy Roadmap”, here referred to as the Energy FA, came into effect on 23rd July 2019. The activities under the Energy FA will be implemented over a period of 66 months and will conclude on 22nd January 2025. A total of EUR 14.815 mn has been allocated to the Program by the European Union.

Table 4. Belize Sustainable Energy Roadmap (Financing Agreement Belize - EU (039-231)) signed 21 July 2019

Contract title	EU financing EURO	Duration
Technical Assistance for Energy sector (GFA) Service contract to provide Technical Assistance consultancy support to the Energy Unit of the Ministry of Public Utilities & Logistics and Energy in the implementation of the activities under the Energy FA. Signed November 5, 2020.	3,017,500	10/2020 - 11/2024
Towards low carbon transport: Piloting e-mobility within Belize’s public transport system. Introduction of electric buses in the national public transportation sector of Belize and installation of accompanying hybrid solar grid-connected charging stations. Signed February 3, 2022. UNDP	4,500,000	11/2021 - 02/2025
Improved energy infrastructure for unserved villages and households on behalf of the Government and BEL. Rural Communities and households will receive mini-grid systems and stand-alone renewable energy systems to supply their energy needs. Intervention will focus mostly in Rural Toledo. Signed February 24, 2022 – Belize Electricity Limited (BEL)	4,500,000	03/2022- 05/2025
Strengthening rural community Organization and Livelihood to Advance Resilience in Southern Belize – SOLAR Southern Belize - HUMANA	255,000	02/2022 - 12/2023
Reliable and Sustainable Solar Energy Access for the Indigenous Communities of Golden Stream and San Jose, Toledo District, Belize - YAAXCHE	225,000	02/2021- 02/2024
Supply of electronic equipment for the Ministry’s Energy Unit monitoring, evaluation and reporting	max 99,000	At risk
Supply of Solar-Powered Lamps and LED Lamps Belize	max 99,000	Awarded to SUN LED, contract in preparation

Supply for energy efficiency in public buildings	max 300,000	At risk
Communication and Visibility		At risk
Pre-feasibility Study on renewable energy sources Belize: co-generation and waste to energy infrastructure Planet AE	298,700	Awarded, starting in June

New Programming Cycle

Under the NDICI instrument, there has been an allocation of EUR 17 mn as the first tranche of the Belize MIP. The duration of this MIP is seven years, 2021 to 2027. The MIP will be divided into two consecutive periods, the first period: 2021 to 2024 and second period: 2025 to 2027. At the conclusion of the first period, a mid-term evaluation will be conducted by the EU and based on the findings of the evaluation, the EU will decide whether modification(s) will be necessary to the MIP and the indicative budget for 2025 to 2027 period. The breakdown of the MIP is as follows:

Priority Area 1: Promote green growth and sustainable socio-economic development in the southern districts of Belize through:

1. Rural transformation and access to basic services
2. Income generation based on sustainable management of natural resources
3. Inclusion of indigenous communities into the social fabric.

This intervention aims to promote a model that protects and preserves the still intact ecosystem of the several forest reserves, marine reserves, and wildlife sanctuaries at Belize's border region. The actions of the MIP will focus on the creation of micro, small and medium enterprise (MSME) to promote economic activities and job creation. Public investments (e.g., roads, basic services, etc.) will also be considered.

The specific objectives related to the priority area 1, are as follows:

1. Socio-economic development of the southern districts of Belize fostered by promoting a green model of development.
2. Good governance practices and territorial approach strengthened at the village and district levels.
3. Indigenous communities' culture and sustainable development strengthened

Based on the objectives, the expected results of priority are 1 are as follows:

1. Rural transformation plan for southern Belize agreed with local stakeholders and formally adopted.
2. Access to basic services for rural communities substantially improved.
3. Employment and income generation improved for well-being among all inhabitants of the southern districts.

4. Development planning and implementation processes done at local level
5. Infrastructure needs identified, designed, and tendered.
6. Technological innovation and digitization of services improved.

Priority Area 2: Trade and economic integration of Belize into the Northern Triangle which includes Guatemala, El Salvador, and Honduras. This intervention will provide technical and financial assistance to promoting cross-border trade and assist in the design of efficient border management and migration control.

The specific objectives related to the priority area 2, are as follows:

1. Security at the terrestrial and maritime borders increased.
2. Regulatory framework for enhanced commercial and industrial integration elaborated and regional trade increased.

Some expected results of priority area 2 are as follows:

1. Border management plan developed, including aspects of environmental protection, security, and migration.
2. Infrastructure needs identified and designed, including financial structure for flagship investments.
3. Management of national parks, forest and maritime reserves and wildlife sanctuaries improved to reduce illicit activities occurring along the Belizean border.
4. Technical aspects for future demarcation of Adjacency Zone prepared.
5. Potential for Belize' trade integration with Guatemala and Northern Triangle countries identified.
6. Regulatory framework for Partial Scope Trade Agreement elaborated to enhance commercial and industrial integration.
7. Institutional capacities of stakeholders strengthened for advancing the Partial Scope Trade Agreement.

Support to Civil Society

An allocation of Euro 1 million is earmarked in the MIP for Civil Society to trigger regional development through wide-ranging economic initiatives, including trans-border commerce that can improve the economic conditions of the indigenous people of the southern districts. The allocation is also to connect the civil society organization (CSOs) to facilitate the inclusion of whole communities thus adopting a 'leave no-one behind' human rights approach.

Technical Cooperation Facility

A cooperation facility will be available to support the Ministry of Finance, **Economic Development**, and Investment and line ministries to support capacity development and institutional building through technical assistance and exchange of public expertise.

The breakdown of the budget is as follows:

	Description of Activities	Provisional allocations (Euro mn)	BZ\$ Amount (Millions)
01	Priority Area 1: Green Growth and sustainable socio-economic development	8.5	19.3
02	Priority Area 2: Regional Integration and Border Management	6.0	13.6
03	Support to Civil Society	1.0	2.3
04	Technical Support Facility	1.5	3.4
	Total	17.0	38.6

A tentative timeline for the roll out of the EU programme is as follows:

Action	Timeline
Discussion between GoB and EU on contents of Concept Notes	May 2022
EU Consultants arrive in Belize for project identification and preparation of Draft Financing Agreement	June 2022
Further discussion between GoB and EU after submission of draft Finance Agreement	July 2022
Draft Financing Agreement enters EU Circuit	September 2022
Decision made by EU in Brussels	December 2022
Financing Agreement signed by EU and GoB	February 2023

Lessons Learnt

The Belize/EU Coordination function remains relevant for the proper implementation of EU funded project. Knowledge of EU processes and procedures is important to make strategic decisions during programming and implementation. The office (formerly named NAO) plays an important intermediary role between the line ministries and the EU, as the office is well versed in EU procedure and project management and therefore can focus on the strategic vision and administrative matters of the programme, while the line ministries focus on the technical aspect of the programme.

Future Plans and Priorities

1. Complete the programming of funds and signature of the Financing Agreements(s) committing the funds under the MIP for BZD 38.6 mn
2. Programme and sign Programme Estimate for BZD 900,000 (EUR 400,000) for capacity building within MED
3. Improve monitoring of the EU-UNDP grant on E-mobility and the BEL Grant on Energy Infrastructure under EDF 11.

Project Implementation Units

Belize Road Safety Project – Phase 2

This project completed the first phase of a long-term initiative by the GoB to improve road safety in the country and is currently implementing the second phase of the road safety project. Phase two of the Belize Road Safety Project is a BZD 14.7 mn initiative, with funding from the CDB and GOB. Implementation commenced in April 2019 for the second phase and is expected to end in October 2023. The overall objective of the Belize Road Safety Project is to reduce deaths and serious injuries associated with road traffic crashes along the defined Demonstration Corridor.¹

Project Components:

1. Road Safety Infrastructure [currently implemented directly through the Ministry of Infrastructure, Development and Housing (MIDH)] – improvements to the Western Highway between Belize City and Belmopan; the Philip Goldson Highway between Belize City and Northern border; and the Coastal Road
2. Road User Education and Awareness – increasing awareness through campaigns targeting road users and students in schools along the Corridor
3. Road Safety Enforcement – improvement of traffic law enforcement through training and capacity enhancement of the relevant authorities (Police and Transport Departments; Municipalities)
4. Road Accident Emergency Services – improvement of post-crash trauma care

MED is the lead agency, with the various components being implemented by relevant ministries – MIDH, Ministry of Youth, Sports and Transport; MoECST, MOHW, National Security, Government Press Office, and other key line ministries. The Road Safety Project is expected to end in 2023 with ongoing efforts being built within key line ministries for continuity. A National Road Safety Committee was approved by the Cabinet in July 2013 and serves as the body to ensure sustainability of road safety measures in Belize in the long term. In February 2017, The Road Safety Master Plan 2030 was also approved by Cabinet with a vision of “Towards Zero Deaths on Belize’s roads and highways by ensuring that the Belize community works together to make a fundamental change in the way it thinks about road safety and works to address the trauma caused by everyday use of the roads. Collisions may still occur as people using the road system make mistakes or poor decisions, however, we should strive to create a system in which safe decisions are the easiest ones to make and mistakes are not punished with death or serious injury.

Belize Integral Security Programme – BISP

The Belize Integral Security Programme (BISP) is a three-year, USD 30 mn programme. The general objective of this programme is to strengthen citizen security through investments in infrastructure and equipment for the national insertions responsible for national security in Belize. These efforts are focused on promoting and improving the quality of life of the Belizean Citizens and supporting the Central American Region’s efforts to combat crime. The programme is funded through a loan from CABEL.

¹ **Phase I** – From the Belize City roundabout at the junction of Cemetery Road and Central American Blvd to the junction of the Hummingbird and Western Highways in Belmopan, along the Hummingbird Highway to its junction with Constitution Drive in Belmopan, and around the Belmopan Ring Road.

Phase II – From the Belize City roundabout at the junction near Pallotti High School to the Northern Border and from the Coastal Highway between George Price Highway and the Southern Highway.

The Programme has four (4) Specific objectives:

1. Increase the coverage of citizen security through the construction and improvement of police stations in strategic locations.
2. Reduce impunity through the provision of tools and aid in the effectiveness of investigation services and prosecution of crimes.
3. Improve maritime border security through the improvement of infrastructure and equipment.
4. Improve the performance of insertions linked to citizen security through the provision of appropriate equipment and infrastructure to meet its functions.

The BISP intends to achieve these specific objectives by investing in infrastructure and equipment for the Belize Police Department (BPD), Belize Coast Guard (BCG), Belize Defence Force (BDF), and the National Forensic Science Services (NFSS). In the case of the BPD, the intent is to build Police stations and Sub-stations in different locations as well as the construction of Barracks and the refurbishment of other facilities. In the case of the BDF, barracks are to be built and other facilities refurbished. The BCG is to benefit from the construction of boat maintenance facilities and the procurement of navigation equipment. The NFSS is to receive a fully equipped and functional forensic laboratory. Additionally, vehicles, office equipment and other specialized equipment will be procured for all participating agencies.

Resilient Rural Belize – RRB

The Resilient Rural Belize Programme is a six-year, USD 20 mn programme aimed at minimizing the impacts of climatic and economic events on rural small farmers while supporting sustainable market access for their produce. The Programme became effective on November 30, 2018, with the signing of a USD 8 mn Loan Agreement between GOB and the International Fund for Agricultural Development (IFAD).

The Programme is operating countrywide and targets: (i) poor rural families; (ii) vulnerable rural families; (iii) households with less than 25 acres, engaged in part-time or full-time farming; and (iv) formal and informal farmer organizations (cooperatives, associations, etc.) with the willingness and potential for improving productivity and farmer market access. The programme is expected to reach a total of 6,000 households or approximately 30,000 persons, from which 24,000 are expected to have strengthened resilience. Consistent with the importance of women in the rural economy, and in smallholder farming generally, at least 40% of programme beneficiaries will be women and similarly, recognizing the importance of youth for the sustainability of the sector, youth will comprise at least 20% of programme beneficiaries.

The Programme's primary focus is on the production of six vegetables (onions, tomatoes, sweet peppers, cabbage, lettuce and habanero peppers), one fruit (pineapple) and honey and related products. Inclusion of other products/commodities is dependent on market opportunities and the interest of small farmers.

The programme has two (2) components:

1. *Climate-Resilient Value Chains Development.* This component aims to address the constraints faced by small farmers and improve the profitability of the value chain process within the context of developing climate-resilient agriculture while reducing the financial, economic, and climate-related vulnerabilities that producers and households currently experience. Activities will focus on increased productivity and diversification of production, facilitation, innovation development and strengthening of producer organizations.
2. *Climate Resilient Rural Infrastructure and Assets Development.* This component is intended to reduce physical vulnerability and anticipated impacts of climate variability and enhance access to markets through a range of public infrastructure investments, including the rehabilitation and provision of roads, drainage, and irrigation. The

main selection criteria will be infrastructure schemes of common use (public) that address adaptation to projected climate change events and enhance the opportunities for agribusiness and rural enterprises identified for support under Component 1.

Funding for the Programme is being provided by:

- The International Fund for Agricultural Development – USD 8 mn
- The Green Climate Fund – USD 8 mn
- The Government of Belize – USD 3.2 mn
- Programme Beneficiaries – USD 0.8 mn (by way of counterpart matching contributions)

Statutory Bodies

Statistical Institute of Belize - SIB

The Statistical Institute of Belize (SIB) is the only agency authorized to designate any statistics pertaining to the country of Belize as *official*. The SIB derives its mandate from the Statistical Institute of Belize Act No. 9 of 2006, which established the Institute as an autonomous statutory agency and authorizes it to collect, compile, extract, analyse and publish official statistics pertaining to the demographic, social, environmental, economic, and general activities and conditions of Belize, on an impartial basis and in accordance with international standards. The SIB is also charged with the responsibility for conducting the country's Population and Housing Census every ten years, and for coordinating the country's National Statistical System (NSS), the network of agencies which produce statistics relevant to their areas of specialization, such as health, education, and crime.

The SIB is currently conducting the 2022 Population and Housing Census. The Population and Housing Census represents the most comprehensive collection of detailed data on the country's population and living conditions. Presentation of preliminary results is expected by December 2022.

Development Finance Corporation – DFC

In Belize, the Development Finance Corporation (DFC) is the only national development bank established since 1978 (Development Finance Corporation, 2018). DFC began operations within the private sector and became state-owned ten years later. The vision of DFC is to empower the Belizean economy to be economically, socially, and environmentally resilient by providing world-class, high-impact, innovative, inclusive, and accessible financial products and services. The Bank has five branches in the country and its national headquarters are in the capital city of Belmopan.

DFC has contributed significantly to the country's national development through disbursements of loans and technical assistance support. The DFC mandate allows it to support sectors such as renewable energy, agriculture, tourism, small business, among others. However, during the last ten years, Belize has been heavily impacted by climate change challenges such as severe storms, flooding, and droughts affecting the DFC's portfolio performances in the productive sector. According to a news article from Loops (2020), preliminary reports conducted on the amount of rainfall in Belize revealed that the country was heavily impacted by hurricanes Iota and Eta, with initial losses of BZD 150 mn in the agriculture, housing, and infrastructure sectors.

DFC is seeking GCF accreditation of USD 10-50 mn to access highly concessionary loans, grants and technical assistance to support the Belize private sector, especially the MSMEs. This will allow the private sector to access climate finance to mitigate and adapt to the impacts of climate change.

Staffing and Financial Considerations

Presently, the structure of MED is functional and results-driven; however, there are certainly opportunities for improvement. In 2021, senior staff within the Ministry was consulted as part of a SWOT (strengths, weaknesses, opportunities, and threats) Analysis. The outcome of this analysis shed light on the perceived strengths of MED, as well as the weaknesses that threaten the substantive growth of the Ministry. Below are the responses gathered from the SWOT Analysis:

Strengths:

- a. Qualified Staff – staff members are competent, young, committed, open to change and innovation, they have good attitudes toward work, and are excellent in responding to requests, both internal and external
- b. Good rapport built with International Institutions

Weaknesses:

- a. Insufficient Human Resources – MED requires further support both within the Ministry and from other Ministries
- b. No emphasis on research and development & data analysis – not enough importance is placed on producing prescient analysis on fiscal and economic policies, development constraints and development pathways

Opportunities:

- a. Technical assistance and training – MED has well-established channels of communication and relationship with multilaterals who are always willing to assist and train staff
- b. Enhanced coordination between line ministries – the preparation of the Plan Belize MTDS will strengthen MED and create multiple avenues for collaboration and engagement with all line ministries and with other stakeholders in the national economy

Threats:

- a. Global and national crises – hurricanes, natural disasters, COVID-19 pandemic
- b. Lack of cooperation and transparency in international aid effectiveness
- c. Lack of a legislative or official mandate for MED
- d. Duplication of human resources (as a result of the recent fracturing of the Ministry)

Organizational Structure of MED – CEO is the Administrative Head to 5 Units:

Policy and Planning Unit – Director supervises:

- a. (1) Senior Economist, (1) Economist I, (3) Economist III, and (1) Project Officer III

National Authorizing Office EU – Director supervises:

- b. (1) Senior Project Officer, (1) Project Officer II

Climate Finance Unit – Director supervises:

- c. (1) Economist III, (1) Proposal Development Officer

Administrative Officer supervises:

- d. (1) First Class Clerk, (1) Office Assistant, (2) Secretaries, (1) Janitress

Finance Officer supervises:

- e. (1) First Class Clerk, (2) Drivers

Conclusions and Recommendations

The mission of MED is to enable the Belizean economy to produce a higher quantity and better quality of products and services to increase the overall wealth, real income per capita, and the quality of life of the people of Belize, both urban and rural. Each unit within the Ministry has worked diligently to realize this mission, and this report serves as a testament to the fact. Below are some of the veritable achievements of the units within the Ministry of Economic Development over the past year.

A natural corollary to the work of developing Belize's MTDS is the identification of specific investment projects that are aligned to the priority outcome areas of government. Given the debilitating effects that COVID-19 has had on the global economy, and particularly so for small developing economies such as Belize, the government has emphasized the need to focus on supporting economic recovery and growth as key pillars for action. In this regard, some of the noteworthy achievements of the PPU included engaging with our national stakeholders and development partners to identify projects that directly contribute to promoting private sector development, with a focus on MSMEs, which comprise over 90% of businesses in Belize. Some of these pivotal projects that are expected to transform the landscape and ecosystem for Belize's private sector, as well as contribute the other priority developmental outcomes such as climate and social resilience, are listed below.

1. Trade and Investment Facilitation Program (IDB) – USD 8 mn
2. Digital Innovation to Boost Economic Development in Belize (IDB) – USD 10 mn
3. Sustainable and Inclusive Belize Program (IDB) – USD 15 mn
4. Climate Resilient and Sustainable Agriculture Project (WB) – USD 45.7 mn
5. Basic Needs Trust Fund 10th Program (CDB) – USD 5 mn
6. Philip Golson Highway and Remate Bypass Project (CDB) – USD 53 mn
7. Philip Goldson Highway Expansion Project (CABEI) – USD 24 mn

Although recently created, the Climate Finance Unit was able to quickly build relationship, cooperation and collaboration with its stakeholders locally, regionally and internationally. During these months the CFU was able to attract grant financing from the Green Climate Fund and NAP Global Network. The CFU has been very active in putting together readiness and concept notes to the GCF. Moreover, conversations have also been held with important international funds such as the Biodiverse Landscape Fund and the Blue Planet Fund to see how Belize can benefit from grant funding for climate focused programmes and projects.

Recommendations

Delivering on Plan Belize MTDS and other national priorities requires intentional ministerial leadership, and dedication and transparency among all actors. Therefore, we cannot rely on a business-as-usual approach; we must enhance the structure of the Ministry in a way that is conducive to achieving these goals.

There is a proposed restructure of MED to include a greater focus on research and development, data collection and analysis, improved capacity in project building and execution, and streamlined coordination among programs within the Ministry and with external partners. A Central Execution Unit will also be created for the purpose of institutionalizing the monitoring, learning, evaluation, and reporting of the Plan Belize MTDS, PSIP, and the Horizon 2030.

This restructuring will lend itself to the creation of an improved MED, better equipped to produce rigorous economic and future scenarios analyses for investment decision-making and to pin-point critical determinants for project performance and success.

Annex 1 – Organizational Structure



