
Building Effective Governments

Executive Summaries of the
Caribbean Country Studies

Belize



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Introduction

Improving public services, using resources efficiently, and managing state institutions effectively have been an ongoing concern of Latin American and Caribbean (LAC) governments since early in this century. Today, the authorities are paying close attention to the results obtained by their administrations. Citizens are demanding not only universality, but also quality in the services provided by the State.

To assess countries' institutional capacity to manage their public sectors efficiently, the Inter-American Development Bank (IDB) designed the PRODEV Evaluation Tool (PET). This instrument uses a managing for development results (MfDR) approach to analyze five pillars of the public policy management cycle: (i) planning, (ii) budgeting, (iii) public financial management, (iv) program and project management, and (v) monitoring and evaluation.

Each pillar has components that measure the maturity of institutional systems and their capacity to orient administrations toward obtaining results. These components, in turn, include indicators that measure specific aspects of management systems, which are subdivided into the minimum requirements that make up the basic unit of information gathering. The PET has 16 components, 37 indicators, and 142 minimum requirements; all of these are scored on a 0 to 5 scale, in which 5 is optimal. The ministries of Education, Health, Social Development, and Infrastructure carried out the analysis of sectoral management in the fourth pillar. However, for various reasons, in some countries, it was not possible to analyze all of these sectors.

This methodology was used to assess the situation in 24 LAC countries by comparing data obtained in 2007 to those obtained in 2013.¹ The cutoff date of the information for the first round was not uniform across countries, as the instrument was applied between 2007 and 2009. By contrast, the cutoff date of the reports for the second round was the same in all cases: December 31, 2012.

The information gathered was analyzed in the book entitled *Building Effective Governments: Achievements and Challenges for Results-Based Public Administration in Latin America and the Caribbean*. The present document is the executive summary of the "National Progress Report (2007–2013) on Institutional Capacity to Implement Managing for Development Results," which was prepared in each of the 24 countries covered in the study. The book, the annexes, and other information related to the study are available at: www.iadb.org/gobiernosefectivos.

The editors wish to thank the authorities and public officials of the institutions that participated in this study for their collaboration and input. Without their contributions, this study could not have been carried out. Finally, with respect to the data reported in the figures, numbers expressed in hundredths were rounded up to decimals.

¹ The countries included in this study are: Argentina, Bahamas, Barbados, Belize, Brazil, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Guyana, Haiti, Honduras, Jamaica, Nicaragua, Mexico, Panama, Paraguay, Peru, Surinam, Trinidad and Tobago, and Uruguay.

Belize

Summary of Changes between 2007 y 2013

Belize has a low level of MfDR development. However, the 2013 evaluation showed that efforts had been made to strengthen public management. The best-developed pillars were results-oriented planning, public financial management, and program and project management. The weakest pillars were the monitoring and evaluation system and results-based budgeting. The evaluation also noted that work on MfDR implementation was continuing and that greater progress was expected in the future.

Scores for Belize on Each MfDR Pillar for the 2007–2013 Period

PILLARS	2007	2013
Results-oriented planning	0,4	1,4
Results-based budgeting	0,2	0,7
Public financial management	0,9	1,2
Program and project management	0,7	1,2
Monitoring and evaluation systems	0,4	0,4
Average	0,5	1,0

Figure 1. Development of the MfDR Pillars in Belize

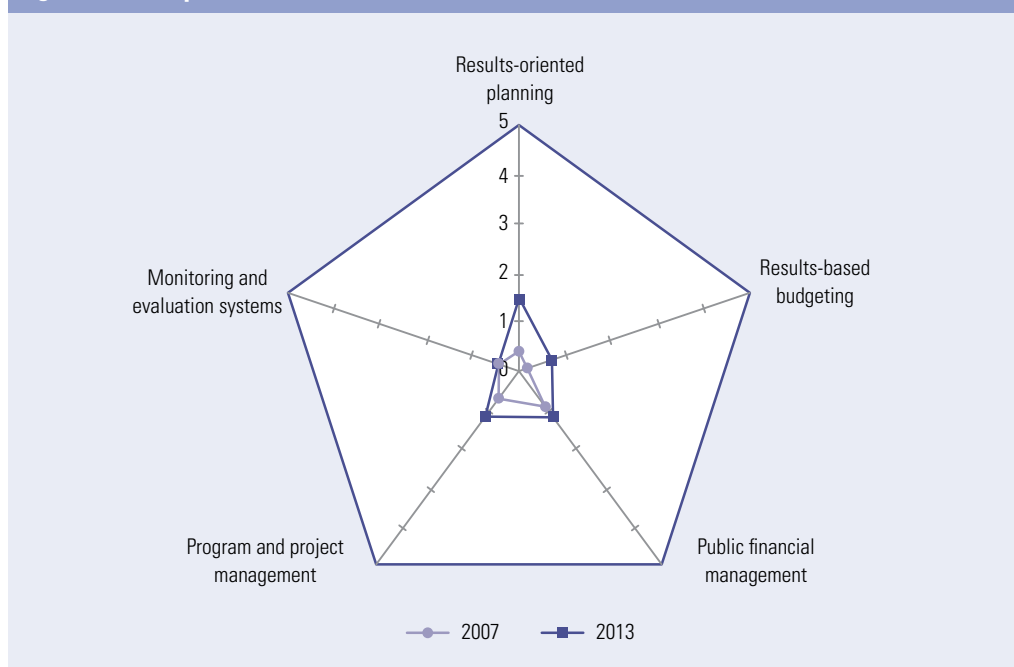


Table 2. Progress on MfDR Implementation in Belize

Planning	The long-term plan 2010–2030 was created, the Medium-Term Development Strategy 2010–2013 was prepared, and two sectoral plans were formulated.
Budgeting	There was a pilot project to introduce the program-based budgeting approach in five ministries. A medium-term fiscal framework was drawn up, and a new one was being prepared. Semester and annual reports on budget implementation results were being posted on the Internet.
Financial Management	The average deviation between the implemented budget and the approved budget decreased over the last three years of the study period. A public procurement manual was being prepared, and a system was being designed to collect purchasing information. The annual auditing report was being presented to Congress and published on the Internet.
Program and Project Management	The Ministry of Education, Youth and Sports formulated a sectoral plan. The Belize Health Information System (BHIS) was set up.
Monitoring and Evaluation Systems	The methodology for producing and expanding social and economic statistics was improved.

Results-oriented Planning

COMPONENTS	2007	2013
Results-oriented planning	0,4	1,4
Strategic planning capacity	0,3	2,6
Operational planning	0,0	0,4
Participatory nature of planning	1,2	1,5

Belize showed significant progress on its strategic planning capacity. In 2012, the Cabinet approved the long-term plan known as Horizon 2030. Since it had only recently been approved, this instrument was not yet guiding medium-term planning. During the period under analysis, the country also prepared a national plan known as the Medium-Term Development Strategy 2010–2013, which contained indicators for only some sectors, such as education. There were also two sectoral plans, one for education and another for tourism. The institution responsible for planning was the Ministry of Finance and Economic Development, but there was no legal framework in this area.

The long-term plan defined pillars with their respective objectives and strategies, and the results-based approach was used to define indicators for monitoring and evaluation. However, challenges remained for identifying deliverables and services in sectoral plans and for defining the office responsible for implementing each program. There was no linkage between planning and budgeting.

With respect to participatory planning, little progress was seen because the country did not have a legal framework to promote it. However, in the formulation of the long-term plan, there was ample participation by representatives of civil society and the legislative branch.

Results-based Budgeting

COMPONENTS	2007	2013
Results-based budgeting	0,2	0,7
Program-based budget structuring	0,5	1,5
Medium-term budgeting perspective	0,0	0,6
Evaluation of spending effectiveness	0,0	0,5
Incentives for management effectiveness	0,0	0,0
Information dissemination	1,8	2,3

In the 2012–2013 period, a pilot project got underway with five ministries to implement the corporate performance management budgeting software, which required ministry budgets to be formulated on the basis of budget programs. For the country, it was a challenge to link this new budget structure with the strategies defined in the long-term plan and in the medium-term national strategic plan that was being formulated.

With regard to the long-term budget perspective, in 2010, a two-year fiscal framework was prepared, and a new fiscal framework was expected to be concluded by 2014. In addition, the Transparency and Fiscal Responsibility Regulations were approved in 2010; they took effect in 2012 with the aim of regulating the fiscal regime but did not define fiscal targets. The country did not have a legal framework that required the application of spending evaluations; performance indicators had therefore not been formulated. These were only applied in the case of projects financed by donors or development funds. In Belize, there were no incentives—monetary or non-monetary—to promote management effectiveness. Finally, progress could be seen in information dissemination. In addition to publishing the budgeting law, the Transparency and Fiscal Responsibility Regulations of 2010, the government also posted a mid-year report on budget implementation on the Internet, as well as a report on year-end results. The budget presentation also included some information about government objectives and priorities aligned with the Medium-Term Development Strategy.

Public Financial Management

COMPONENTS	2007	2013
Public financial management	0,9	1,2
Budgeting and financial management	1,7	2,0
Procurement system	0,6	0,7
External and internal auditing	0,7	1,1

Belize saw improvement in the average deviation between the approved budget and the implemented budget; it went from 5.9 percent in the 2005–2007 period to 3.7 percent in the 2010–2012 period. Despite the fact that the Ministry of Finance and Economic Development did not perform risk analyses related to direct obligations or contingent liabilities, the annual auditing report included an analysis related to the former. There were no mechanisms that made it possible to mitigate the effects of those risks. No improvements were seen in budget transparency since not all budget expenditures were reported in the fiscal reports. However, these reports included all income from international cooperation. The budget was organized on the basis of administrative and economic classifications. The first steps were being taken to apply functional and program-based

classifications under the new framework of corporate performance management budgeting. Finally, the Congress continued to approve the budget prior to the beginning of the corresponding fiscal year.

Although the accounting system was not in line with international standards and guidelines, it reflected all the budget classifications. A cash flow system was used. Consolidated statements were prepared on income-expenses, but they did not include the State's assets-liabilities. The financial statements were subject to external auditing by the Office of the Auditor General. With respect to the Integrated Financial Management System, actions had been taken to improve the information platform known as SMARTSTREAM, which processed information for the following areas: treasury payments, payroll, and accounting. Monthly reports were also prepared on public revenues and expenses. However, the public investment and procurement systems were not yet integrated into SMARTSTREAM.

Even though the Finance and Audit (Reform) Act of 2005 provided a legal framework for the procurement system, there were no mechanisms, such as regulations and procedural manuals, to enable its effective application. In that regard, the Office of the Contractor General was preparing a public procurement manual. However, there was no electronic procurement system, nor a system making it possible to collect and consolidate data related to procurement. Moreover, there was no organization responsible for handling claims growing out of the procurement process.

Belize did not have a specific legal framework to regulate internal audits. However, Section 11–14 of the Constitution and the Finance and Audit (Reform) Act of 2005 provides legal support for the actions of the accounting officials responsible for managing the financial resources of their organizations, whose work is audited by the Office of the Auditor General, an independent organization that also conducts external audits in 38 percent of the ministries. The legal basis for performing that office's functions was derived from the 2005 Act, which was partially in line with INTOSAI standards. This office's budget comes from the Ministry of Finance, and its financial constraints restricted its capacity to conduct more audits. One improvement seen was that, in 2012, the audit report was presented to Congress, and the reports had also been published on the Internet for the previous six years. However, the information was not published within the periods established by law.

Program and Project Management

COMPONENTS	2007	2013
Program and project management	0,7	1,2
Ex ante evaluation and prioritization of investment projects	0,0	0,3
Medium-term sectoral vision	1,5	2,5
Sectoral management of goods and services	1,0	1,2
Sectoral information systems	0,3	0,7

Ex ante Evaluation and Prioritization of Investment Projects

Even though there was still no public investment system and there were no ex ante evaluations of investment projects, the Ministry of Finance and Economic Development—with the aid of international cooperation—was working on their formulation.

Sectoral Management

Education: The Ministry of Education had prepared a Sectoral Strategic Plan 2011–2016, with support from external consultants. It defined educational policy objectives, targets, indicators, and deliverables. As part of the plan formulation process, consultations were conducted with representatives of civil society. Even though there was no clear link to the Medium-Term National Strategic Plan, a relationship could be seen with its human and social development objectives. The sector did not have a catalog of all the goods and services that it offered, with annual production targets. Performance contracts were not being signed, and there were no monetary incentives to encourage the achievement of organizational results. Even though there was no strategy for quality, there was a process underway to collect information on the quality of education, which would be used for the formulation of such a strategy. The Ministry did not have sectoral information systems. Data arrived in hard copy and had to be entered into personal computers. The Ministry portal provided a statistical summary of the coverage of educational systems, student enrollment, and results on standardized tests. However, the Ministry did not submit a report on management results.

Public Health: The Ministry was formulating its sectoral strategic plan, which would supersede the plan in effect for 2010–2013. Even though the Medium-Term Development Strategy included annual targets for the delivery of health care services, there was no catalog of all the goods and services offered by the sector with their respective production targets. There were no incentives for the achievement of organizational results. Even though there was no strategy for quality, information that could help to improve the quality of services was gathered, and user satisfaction surveys were applied. Progress could be seen in information systems since the Belize Health Information System (BHIS) was created, but it was not connected to the National Health Insurance System and could not be accessed via the Internet. The BHIS included the following modules: patient admissions and discharges, clinical orders, laboratory, supply management, pharmacy, HIV-AIDS, and human resources. The Ministry's report on management results was still not being published on the Internet.

Social Development: Even though there was no sectoral plan, the Medium-Term Development Strategy defined objectives for the social area. With regard to the delivery of social services, there was no list of goods and services produced by the sector with their respective annual targets. However, this ministry was part of the pilot project of program-based budget formulation and included outputs and indicators for annual outcomes. Performance contracts were not being signed, nor were there incentives for the achievement of organizational results. There was no explicit strategy for quality improvement and no periodic compilation of user information on the quality of services. The sector did not have an information system.

Monitoring and Evaluation Systems

COMPONENTS	2007	2013
Monitoring and evaluation systems	0,4	0,4
Monitoring of government management	0,0	0,0
Statistical information systems	1,8	2,2
Evaluation of government management	0,0	0,0

No progress was made on the monitoring of government management, which continued to center on monitoring of budget implementation. No office had been created to be responsible for this task, and there was no policy evaluation system or legal framework calling for the development of this function.

No changes were seen in the statistical information system. Even though there was a Barbados Statistical Service, which was part of the Division of Economic Affairs of the Ministry of Finance and Economic Affairs, it was not the only organization that was compiling statistical information: other agencies and ministries were also collecting data on specific areas and according to their own methodologies. The information produced on social issues was not very reliable because it became available with a certain lag and the methodology used was not published. However, the BSS was implementing a program to improve national services, known as the Statistics System Modernization Project, whose aims were to design and develop improvement solutions and to provide recommendations in key areas.

