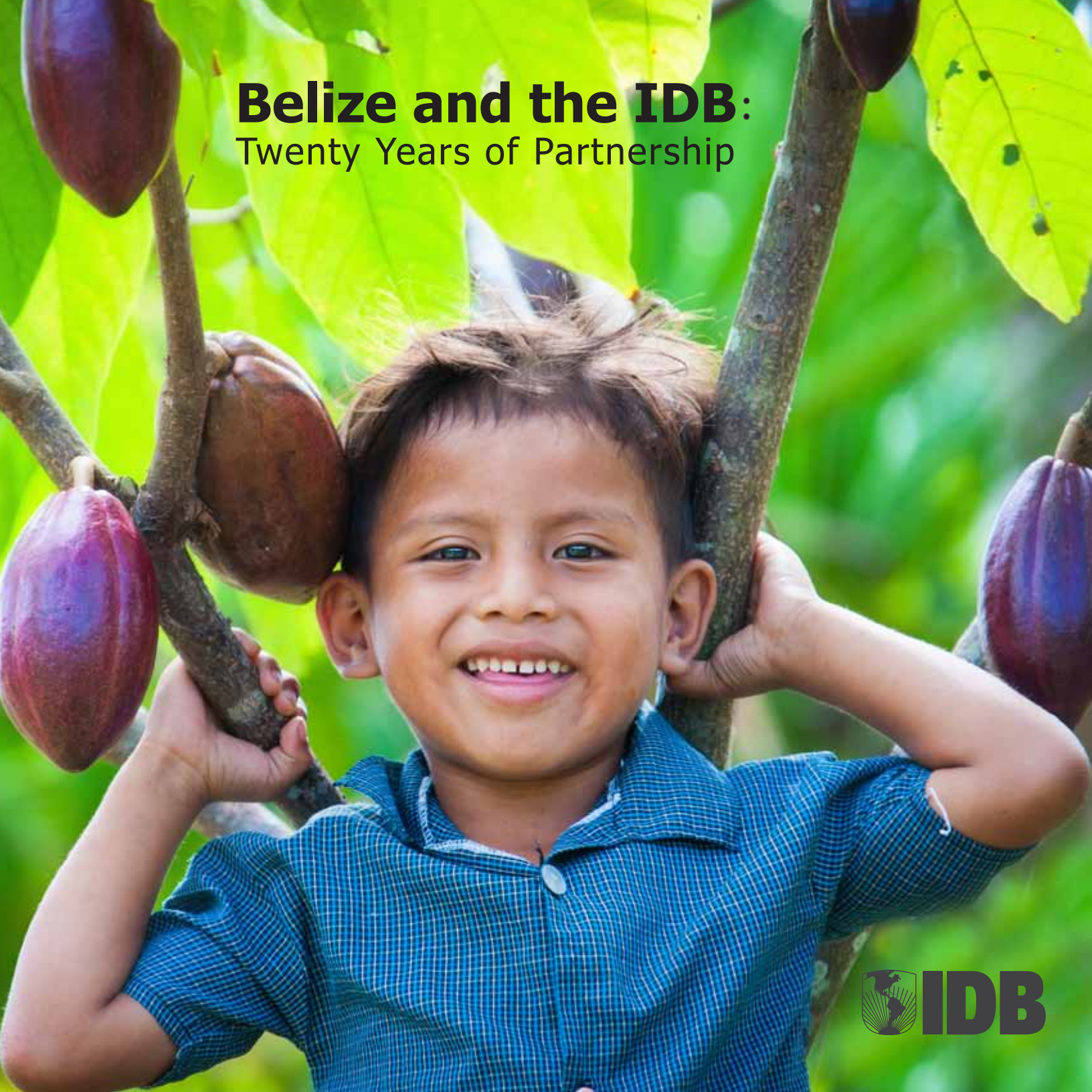
Belize and the IDB:
Twenty Years of Partnership



IDB

Established in 1959, the Inter-American Development Bank is the leading source of development finance for Latin America and the Caribbean. Equipped with an evolving reform agenda and a strong commitment to achieving measurable results, the IDB supports the efforts of its member countries to promote sustainable economic growth and reduce poverty and inequality.

The IDB has 48 member countries, including 26 Latin American and Caribbean borrowing members. Most of the Bank's projects and technical cooperation programs are financed through loans, and most of them go to the public sector. The IDB lends to national, provincial, state and municipal governments as well as autonomous public institutions. Civil society organizations and private sector companies are also eligible for Bank financing, and both public and private sector clients have access to the Bank's grant funding. In 2011, the IDB approved a total of US$ 10.9 billion in loans and US$ 645 million in grants to its 26 borrowing members.

The Bank's headquarters are in Washington DC. It has 26 country offices, plus regional offices in Asia and Europe.

Apart from the Inter-American Development Bank, the IDB Group also includes the Inter-American Investment Corporation (IIC) and the Multilateral Investment Fund (MIF), whose clients are mainly from the private sector. The IIC focuses on support for small and medium-sized businesses, while the MIF's emphasis is on microenterprise development.

BELIZE AND THE IDB: TWENTY YEARS OF PARTNERSHIP

Belize joined the Inter-American Development Bank in 1992, making it the Bank's youngest borrowing member country.

Following the establishment of a local country office, the IDB approved its first technical cooperation project for Belize in 1993, and its first loan in 1997.

In the ensuing years, the Bank steadily expanded its role as a development partner for Belize, providing both loan and grant financing to support investment projects and policy reforms in a variety of sectors, including agriculture, land management, tourism, water and sanitation, health, education, social protection, citizen security and disaster risk management. Efforts to increase productivity in economic sectors, expand provision of social services, heighten protection against natural disasters and, more generally, improve the quality of life for Belizeans have been at the center of the Bank's partnership with Belize. Today, IDB ranks among the country's leading sources of development finance.

Between 1992 and 2012, the IDB Group approved 120 operations for Belize for a total of US$ 221 million. This publication provides some examples of the Bank's support to Belize, capturing highlights of our partnership with successive governments, private sector and other clients in pursuit of the country's social and economic development.

In the last two decades, Belize has witnessed important developments. The economy has grown faster than in other Central American countries, the tourism industry has emerged as a significant engine of growth, access to basic utilities has improved, and so have the country's human development indicators. Despite this progress, Belize still faces important development challenges, including poverty, crime, high exposure to hurricanes and floods, vulnerability to external economic shocks, and climate change. As in the past, the IDB stands ready to continue assisting Belize in addressing these challenges and pursuing its development goals.

Flag Monument, Belize City

BELIZE AT A GLANCE

Located on the Caribbean coast of Central America, Belize is a country of spectacular natural beauty and vibrant, diverse cultures. Its abundance of Maya archaeological sites, access to the second largest barrier reef in the world, and large network of both terrestrial and marine protected areas make it an attractive tourism destination for visitors from around the world.

Belize has a population of 330,000 but is roughly 8,867 square miles in size, and therefore has one of the lowest population densities in the world.

Belize is vulnerable to hurricanes, tropical storms and frequent flooding owing to its geographical location, extensive coastline topography and the concentration of a large portion of its population in coastal areas.

The country's small, open economy is heavily dependent on agriculture, tourism and most recently, petroleum. Since gaining independence from the United Kingdom in 1981, Belize has seen economic growth of 4.5 percent a year on average, surpassing several of its Central American neighbours and attracting sizeable immigration flows from them. Gross domestic product per capita now stands at US$ 4,506.

Belize has made significant progress in recent years towards achieving the Millennium Development Goals (MDGs), particularly those related to improving maternal health, reversing the spread of HIV/AIDS and other communicable diseases, and ensuring access to clean water. Progress has been slower in other areas, including access to primary education, access to improved sanitation, poverty reduction, employment generation and gender equality. Poverty levels remain high in Belize. Almost one third of Belizean households are poor, and 10 percent live in extreme poverty. Citizen security is another challenge confronting the country.

For these reasons, the promotion of sustainable, private sector-led growth, sound fiscal management, efficient targeting of social spending, combatting crime, and strong environmental management rank among the country's highest development priorities.

Jose Teixeira,
First IDB Representative in Belize

"I spent more than eight years in Belize so I had the opportunity to start some projects and see the end of them. And that is the most satisfaction you can have: when you see that your project is completed; that it is working; that it is benefitting the people. I feel proud to have been a part of that."

HOW THE IDB WORKS

What makes the IDB different from a regular bank is that apart from loans, it also provides grants, technical assistance and other value added services to its clients. Such services include access to technical expertise in a wide range of sectors to ensure that countries have the best designs to implement financially sustainable, socially justifiable and environmentally friendly projects. The IDB also generates and disseminates new country and sector knowledge through its research, helping its clients to prioritize and address their development challenges. The Bank's 2010 publication "*Towards a Sustainable and Efficient State: The Development Agenda of Belize*", is one example of the many studies the Bank has produced on Belize since the country joined the IDB in 1992.

Before funding any projects in Belize, the IDB works closely with the government to develop a country strategy that sets out the main goals and expected results of the Bank's support to the country over a period of four or five years. It also establishes an estimated amount of Bank funding for that period. The strategy is aligned with the country's own development priorities and also takes into account the Bank's institutional priorities, its diagnostic work and lessons learned from previous experience in both Belize and other countries.

Once a strategy is in place, the IDB and the government agree on a program of interventions (loans, grants, and studies) for the initial year or two of the strategy, and then update the program annually until a new strategy cycle begins. The program serves as a guide for the subsequent design of specific projects that, once approved by the IDB's Board of Directors, are then implemented in Belize. When a project is completed, evaluations are undertaken to measure results. The Bank's Office of Evaluation and Oversight also conducts an evaluation of the entire country program at the end of a strategy cycle.

Recognizing the importance of country knowledge and proximity to the client, the IDB has strengthened the role of its country offices in recent years. More technical staff has been sent to the field, more local technical staff hired, and the Country Representative now leads the development of the country strategy and programming efforts.

The IDB often collaborates with other multilateral and donor agencies in supporting Belize's development, either through parallel or counterpart financing arrangements for loans, or by coordinating technical assistance support. Over the last 20 years, IDB-administered trust funds established by the Bank's non-borrowing member countries have contributed significant amounts of grant funding to the IDB's program with Belize.

CONNECTING THE COUNTRY

THE SOUTHERN HIGHWAY

Highways and economic development go hand in hand. Improved road conditions create increased opportunities for economic activity, additional productivity and employment, as well as qualitative improvements in access to health and education services.

The towns of Dangriga in the Stann Creek District and Punta Gorda in the Toledo District are connected by the Southern Highway. In the 1990s, the riding quality of this main transportation artery was poor. The time-consuming travel also meant that everything in Toledo was more expensive than in the rest of the country because of higher transportation costs. The average travel time between the commercial capital Belize City and Punta Gorda was eight hours. Frequent road closures represented tremendous inconveniences for residents; hundreds of thousands of dollars in lost revenue for several major industries including tourism, banana, citrus and aquaculture; and interruptions in day to day commercial and administration activities.

Determined to alleviate the situation, in the late 1990s, Belize combined loan and grant financing from the IDB, the United Kingdom's Overseas Development Administration, the International Cooperation Development Fund of Taipei, the Kuwait Fund for Economic Development, the OPEC Fund for International Development and the Caribbean Development Bank to rehabilitate the Southern Highway. The total cost of the project was US$ 32.4 million.

The new all-weather access road reduced the travel time by half. It is now possible to travel from Belize City to Punta Gorda in four hours. Traffic on the Southern Highway increased by more than 100 percent. Farmers report reduced losses in agricultural products due to faster transport times between farms and markets. The highway has also been instrumental in encouraging investment. Results show a 20 percent increase in land under cash crop cultivation as well as the establishment of eight new shrimp farms. And hoteliers in the southern part of the country note increases as high as 30 percent in occupancy levels. An overall positive investment climate has led to the creation of new enterprises which in turn has increased employment in tourism, aquaculture and other industries, especially for Belize's indigenous Maya population and women.

Pulcheria Teul,
Founding Member, Toledo
Maya Women's Council

"We got the opportunity to reflect on the impacts of the Southern Highway on the Toledo District. It is important to have the community work with you. They learn, they grow and it makes a whole lot of difference when people understand what you are doing along with them, they can appreciate that and then their contribution becomes more effective."

During the Southern Highway project, several non-governmental organizations worried that the improved highway would create negative environmental, social and economic impacts for the residents that lived near to or along the highway. To address those concerns, the Bank funded a smaller mitigation and planning project—the Environmental and Social Technical Assistance Project, which highlighted the benefits of community participation.

The rehabilitated Southern Highway continues to drive development in Belize and plays an important role in regional economic integration efforts. The Government of Belize has since embarked on other highway projects in Southern Belize to connect local highways to the Pan American Highway via Guatemala.

The Southern Highway Project

Date Approved: January 1998

IDB Financing: US$ 16 million

Highway and feeder roads upgraded/rehabilitated: 149 miles

Orange orchard,
Stann Creek District

PROMOTING BELIZE'S NATURAL AND CULTURAL HERITAGE FOR SUSTAINABLE ECONOMIC DEVELOPMENT

Xunantunich, Cayo District

TOURISM

The tourism sector in Belize has experienced steady growth since the first National Tourism Plan was formulated in the early 2000s. That plan was an important result of the IDB -financed Tourism Development Project.

This project aimed to increase employment opportunities, foreign exchange earnings and government revenue from tourism in both an environmentally and archaeologically sustainable manner. Between 2000 and 2004, extensive excavation and conservation work was done at several major Maya sites including Caracol, Xunantunich, Cahal Pech, Altun Ha, Lamanai, Cerros, Nim Li Punit and Lubaantun. As a result of the project, Belize is today one of the most important Mundo Maya destinations.

The total number of visitors to archaeological sites alone increased dramatically — from 95,790 in 2000 when the project started, to 345,744 in 2004 close to the project's end. Foreign exchange from tourism expenditure has grown at an average rate of six percent since 2002. Tourists now travel to Belize's archaeological sites on rehabilitated roads, alight in paved parking lots, tour newly constructed visitor centers and use improved guest facilities.

The project helped transform tourism from a marginal industry to one that now contributes more than 25 percent of Belize's gross domestic product. One in every four Belizeans is employed either directly or indirectly in the tourism industry. Importantly, there is an annual increase of at least 15 percent in the number of Belizean entrepreneurs participating in micro-enterprise activities in the tourism sector. Beyond the improvements to site facilities, the project also provided overseas training opportunities to the members of staff of the Institute of Archaeology.

Tracy Panton,
Chief Executive Officer,
Ministry of Tourism
and Culture

"In the long term, the funding of our national sustainable tourism development plan, which is a 20 year plan for tourism development, will have the most significant impact in terms of our overall tourism development."

Jaime Awe,
Director,
Institute of Archaeology

"We are trying to make cultural tourism one of the primary development areas for the future in a way that benefits Belizeans in education, conservation, management and especially in terms of sustainability. One of our most important partners in the development and the conservation of our archaeological parks has got to be the Inter-American Development Bank."

The IDB's support for tourism continues with the Sustainable Tourism Program, approved in 2008. Industry officials recognize that a more diversified tourism product can increase expenditure per visitor in the country, ensuring that the sector continues to contribute to local economic development. Consequently, the program focuses on the development of key tourist destinations and uses a zoning approach proposed by the Government of Belize. The project includes infrastructure rehabilitation as well as new construction in San Ignacio, Belize City, Placencia and San Pedro. It is designed to foster entrepreneurship which has the potential to increase both foreign and local investment in Belize's tourism product and services.

Through these two projects, as well as several tourism related grants, the IDB's investment in the sector represents over US$ 25 million, which is why industry leaders consider the Bank an important partner in the sector's development.

The Tourism Development Project

Date Approved: June 2000

IDB Financing: US$ 11 million

Increase of visitors to archaeological sites (2000 - 2004): 350%

The Sustainable Tourism Program

Date Approved: November 2008

IDB Financing: US$ 13 million

Enhanced infrastructure in four tourist destinations

Artist rendition
Fort Point Pedestrian Walk,
Belize District

BELIZE: CLEAN AND GREEN

New regional landfill,
Belize District

SOLID WASTE MANAGEMENT

Across the region, governments are continually challenged by solid waste management issues owing to population growth and development. Belize has not been spared from this reality. Every year, 200,000 tons of household and commercial solid waste is generated in Belize. While that amount is regionally low, it has proven too much for local landfills. Periodic burnings also pose significant environmental and health hazards. The unsightly image of these open dump sites is a direct contravention to Belize's brand as an eco-friendly tourism destination, especially given the fact that several of them are in highly visible locations.

To address these challenges, the government established the Solid Waste Management Authority in 2000 and, with IDB support, adopted a national solid waste management plan in 2004. With continued IDB and OFID support, Belize is currently implementing a major project designed to improve solid waste management practices, reduce environmental pollution and enhance the country's image as a tourism destination.

Under the Solid Waste Management Project, solid waste from the islands of Ambergris Caye and Caye Caulker, Belize City and the twin towns of Santa Elena and San Ignacio will be separated into recyclable, biodegradable and non-recyclable waste at various transfer site facilities. These new facilities will replace the open dump sites in San Pedro, Caye Caulker, San Ignacio and Belize City. What is ultimately deemed waste will then be disposed at a new regional sanitary landfill situated at Mile 24 on the George Price Highway.

On the ground, construction of transfer facilities is underway on Ambergris Caye and Caye Caulker, and in San Ignacio and Belize City. At the new regional landfill site, a two-mile paved access road leads to an impressive scene where more than 100,000 cubic yards of material have been removed from a six acre space in anticipation of the dump deliveries, slated to commence in early 2013.

Lumen Cayetano,
Senior Technician,
Solid Waste Management Authority

"This IDB-supported project will create a cleaner, healthier environment and significantly reduce negative impacts on ecosystems. This new system will also provide the men and women who currently scavenge under terrible conditions with opportunities to gain employment in a formal system where health and safety are taken into consideration."

The Solid Waste Management Project

Date Approved:
November 2008

IDB Financing:
US$ 11.1 million

New landfill expected lifespan: 20 years

PROTECTING THE FUTURE

Placencia Peninsula,
Stann Creek District

WASTEWATER COLLECTION AND TREATMENT SYSTEM FOR THE PLACENCIA PENINSULA

Boasting miles of "barefoot perfect" beaches, seascapes in every shade of blue and easy access to world renowned dive destinations, the Placencia Peninsula is one of the most popular tourist destinations in Belize. Five communities are established on the peninsula: Riversdale, Maya Beach, Plantation, Seine Bight and Placencia. The transition from sleepy fishing villages to a bustling tourist mecca has been rapid and the local infrastructure has struggled to keep up with the growth spurt.

During the last ten years, the population of the peninsula has risen from approximately 1,300 to 3,200 permanent residents. Additionally, more than 20,000 tourists visit the peninsula every year. Construction projects for residential, commercial and tourism properties are now a constant feature on the horizon, creating new challenges for water and sanitation management on the peninsula. Scientists highlight the importance of proper disposal of waste water and sewage to preserve Belize's rich marine environment.

The Government of Belize and Belize Water Services Limited, with the support of the IDB and the Caribbean Regional Fund for Waste Water Management (CReW), have embarked on an initiative that will include the implementation of a collection system as well as a treatment and disposal plant for waste water; a new sewage collection system and treatment plant; and operations and maintenance plans to meet the needs of the Placencia Peninsula.

As a part of the project, the Ministry of Finance and Economic Development will establish a revolving fund for financing waste water projects in Belize using a grant from the Global Environment Facility, provided through the IDB.

Integrated Water and Sanitation Program for the Placencia Peninsula

Date Approved: December 2010

IDB and CReW Financing: US$ 10.5 million

Waste water to be treated: 600,000m^3 per year

Matron Roberts Health Center,
Belize City

HEALTH

Improving access to quality health care is essential to national development. For many Belizeans, accessing quality health care in the past meant incurring considerable expense travelling to neighbouring countries such as Guatemala, Mexico and the United States.

Over the last two decades however, the Government of Belize has taken many steps to improve the availability and quality of local health care. Efforts include the construction and/or rehabilitation of hospitals and health clinics; the recruitment of trained medical staff; the procurement and improved maintenance of medical equipment; as well as mobile clinics and health centers to meet the needs of residents living in remote areas of the country. Advanced medical care abroad is no longer the only option. Today, highly trained doctors perform complicated medical procedures in-country.

Alongside various United Nations agencies and other development partners, the IDB has supported vital initiatives in the area of health. Bank supported projects, such as the Health Sector Reform Program, launched in 2000, have been crucial to improving health care management in Belize by helping to reorganize and strengthen the Ministry of Health. Among other things, the IDB financed the restructuring of the Ministry's operational authority into four health regions — Northern, Central, Western and Southern. The management teams of each region coordinate resources transferred to that area of the country, command the planning process at the regional level, and foster and coordinate social participation to improve quality of service.

Beyond support to policy reforms, the Health Sector Reform Program also financed construction and rehabilitation of infrastructure and the procurement of new medical equipment. As part of the program, the Government of Belize, through the Ministry of Health, constructed the San Ignacio Community Hospital and Regional Health Management Team office at a cost of US$ 1.6 million. The 16,600 square feet metal and concrete facility includes an outpatient clinic, maternity ward, accident and emergency ward, administration area and maintenance building. From this modern building, doctors, nurses and support staff meet the health needs of the residents of the towns of Benque Viejo, Santa Elena and San Ignacio as well as surrounding villages.

Peter Allen,
Chief Executive Officer,
Ministry of Health

"Every Belizean depends on the community health services provided by the Government of Belize. The public health inspectorate ensures food and water safety. Maternal and prenatal programs impact every single Belizean, rich or poor. Things like immunizations are provided to all private and public clinics free of cost."

The IDB has also lent support to the design of a pilot national health insurance program. Under this program, Belizeans living in the south side of Belize City and District, and in the southern region of Belize can access primary health care services such as medical consultations, lab services and prescription medications at a reduced cost. The program introduced new methods of reimbursement to providers that include pay for performance and incentive payments that help drive productivity and increase coverage for preventive programs such as screenings for cervical, prostate and breast cancers, and prenatal care.

The Social Policy Support Program of 2009, also designed to improve access to quality primary health care, yielded important results. These include increasing the percentage of children under age two who have received immunization; improving the number of prenatal visits by pregnant women by 32 percent; and introducing referrals for PSA tests for men aged 50-64.

The IDB has also financed technical cooperation projects aimed at combating human trafficking as well as initiatives designed to address HIV and AIDS.

SALUD MESOAMERICA 2015

IDB support in the health sector continues with the Salud Mesoamerica 2015 initiative. According to the 2011 Situational Analysis of Women and Children conducted by the United Nations Children's Fund, malnutrition and diet are critical issues for children under the age of five. Statistics show that stunting due to malnutrition affects one in every five Belizean children. That figure doubles in some Maya communities.

Such health issues are not unique to Belize. To meet the needs of the poor, especially women and children, the Bill and Melinda Gates Foundation, the Carlos Slim Foundation and the Government of Spain are each donating US$ 50 million to help the governments of Central America reduce such health inequities and achieve health Millennium Development Goals. The IDB serves as the executing agency for Salud Mesoamerica 2015.

As part of an innovative results-based funding model, the first Salud Mesoamerica operation in Belize seeks to contribute to the reduction of maternal, infant and child mortality in some of the poorest areas of the country. The Government of Belize, through the Ministry of Health, and the Salud Mesoamerica Initiative have each pledged US$ 500,000 for the first 18 months of the program, which targets the districts of Cayo, Corozal, and Orange Walk. When the Ministry of Health meets agreed goals, Salud Mesoamerica will reimburse half of the Ministry's original investment. The reimbursed funds can then be used for other health-related purposes.

In the first of three planned operations, more than 30,000 young women and children up to five years old will benefit from the enhanced services. The expansion of basic maternal and child health, nutrition, and sexual and reproductive health services will also be facilitated through the strengthening of community-based training programs as training and refresher courses will be offered to an estimated 60 Community Health Workers and district health educators.

RELEVANT, QUALITY EDUCATION

EDUCATION

Learning math, science and language is a fundamental step toward excelling in school and life. Yet, access to education is unequal, and many Belizean children who are in school are not reaching nationally established learning goals in these subjects.

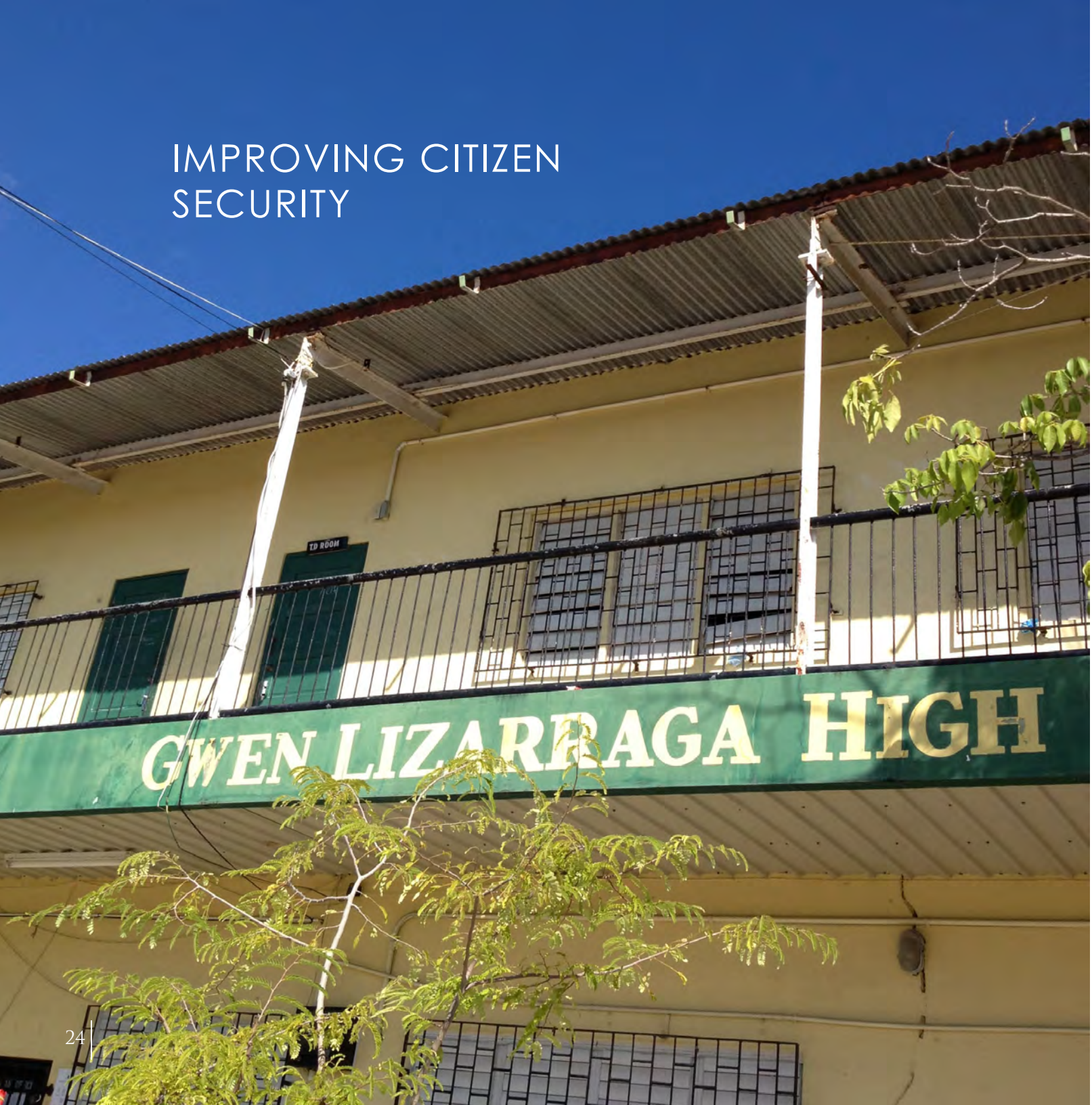
In recent years, the Ministry of Education and the IDB have joined forces in the development of new teaching models; in strengthening teachers' subject knowledge and pedagogical practices; and in assessing instruments that adequately reflect the desired outcomes and objectives in numeracy education. The areas of collaboration have aimed at improving education quality and access.

In 2012, the Government of Belize embarked on a secondary education financing reform to improve education equity. Just a month after Belize began a landmark reform of its system for financing secondary education, the gap in public funding between schools shrank by 20 percent. The reform was designed with technical support from the IDB through a policy based loan aimed at getting better results from existing resources. The old system assigned up to 20 times more public resources per student to schools in some of the country's wealthiest communities. That system has been replaced by one based on the courses offered, the average cost per student, and the number of students with special needs. A second stage of the reform will reward schools for improvements in performance.

The Government of Belize was also keen to strengthen standards for entry into the teaching profession. Another IDB-supported reform amended the Education Act to provide for a National Teaching Services Commission tasked with ensuring greater transparency in the hiring of teachers. The newly created commission has already improved the oversight of teaching services by managing the country's first national database on teachers. It is also expected to strengthen the standards for entry into the profession, and provide a more structured framework for handling of teacher complaints. Since its creation in March 2011, Belize's multi-year backlog in teacher certification has been eliminated.

To provide quality math education to students, the government has partnered with the IDB to launch an initiative called Visible and Tangible Math, which strives to teach math in a new way. Instead of memorizing mathematical processes, Visible and Tangible Math lets primary school students use tangible objects to find the answers to math problems. Visible and Tangible Math is about much more than just improving students' grades in math. It is also about helping children develop critical-thinking skills that will help them solve real-life problems. In the end, it is about providing a brighter future for the youth of Belize.

IMPROVING CITIZEN SECURITY



COMMUNITY ACTION FOR PUBLIC SAFETY

The prevalence of violent crime, especially in Belize City, is a major concern for Belizeans and the government. Successive administrations have launched programs designed to curb crime, such as initiatives aimed at prevention, including education programs regarding drugs and gangs; tougher laws with stiffer penalties; support for criminal investigation and prosecution; more efficient courts, and treatment and rehabilitation programs at the national prison for incarcerated men, women and juveniles.

Part of the Government of Belize's response to the issue is the CAPS project — Community Action for Public Safety — with the Ministry of Human Development serving as the executing agency. The project aims to foster community and family participation in children's lives and create an overall environment for positive development. With US$ 5 million in support from the IDB, the project will generate school-based, positive youth development for more than 1,000 primary and secondary school students and their parents by providing local safe zones for recreation and homework/education assistance. To reduce the recidivism of the average 270 youth that are incarcerated annually, CAPS will also implement programs designed to change violent attitudes and enhance the basic and vocational education offered at three government-run institutions — the National Youth Cadets Corps, the Youth Hostel and the Wagner's Youth Facility.

The infrastructure components of CAPS will include the construction of a youth and resource center at the Gwen Lizarraga High School. At the center, at-risk youth and their families can gather for recreational activities and access mentoring programs. Similar programs will also be launched at the St. Luke Methodist Primary School. At the Youth Hostel, infrastructural improvements will be made to the dormitories and visitor center. At the Youth Cadet Corps, the infrastructure will also be expanded so that the curriculum can include skills training in certificate programs in carpentry, welding and mechanics. The students will also be able to access counselling services to help them re-integrate into society.

The third component of CAPS will be IPSMIS, the Inter-Agency Public Safety Management Information System. National social data will be compiled, analyzed and shared between the agencies responsible for addressing crime and violence in order to promote informed decisions in the formulation of anti-crime strategies.

Community Action for Public Safety

Date Approved: December 2010

IDB Financing: US$ 5 million

Families to be directly impacted: 1,270

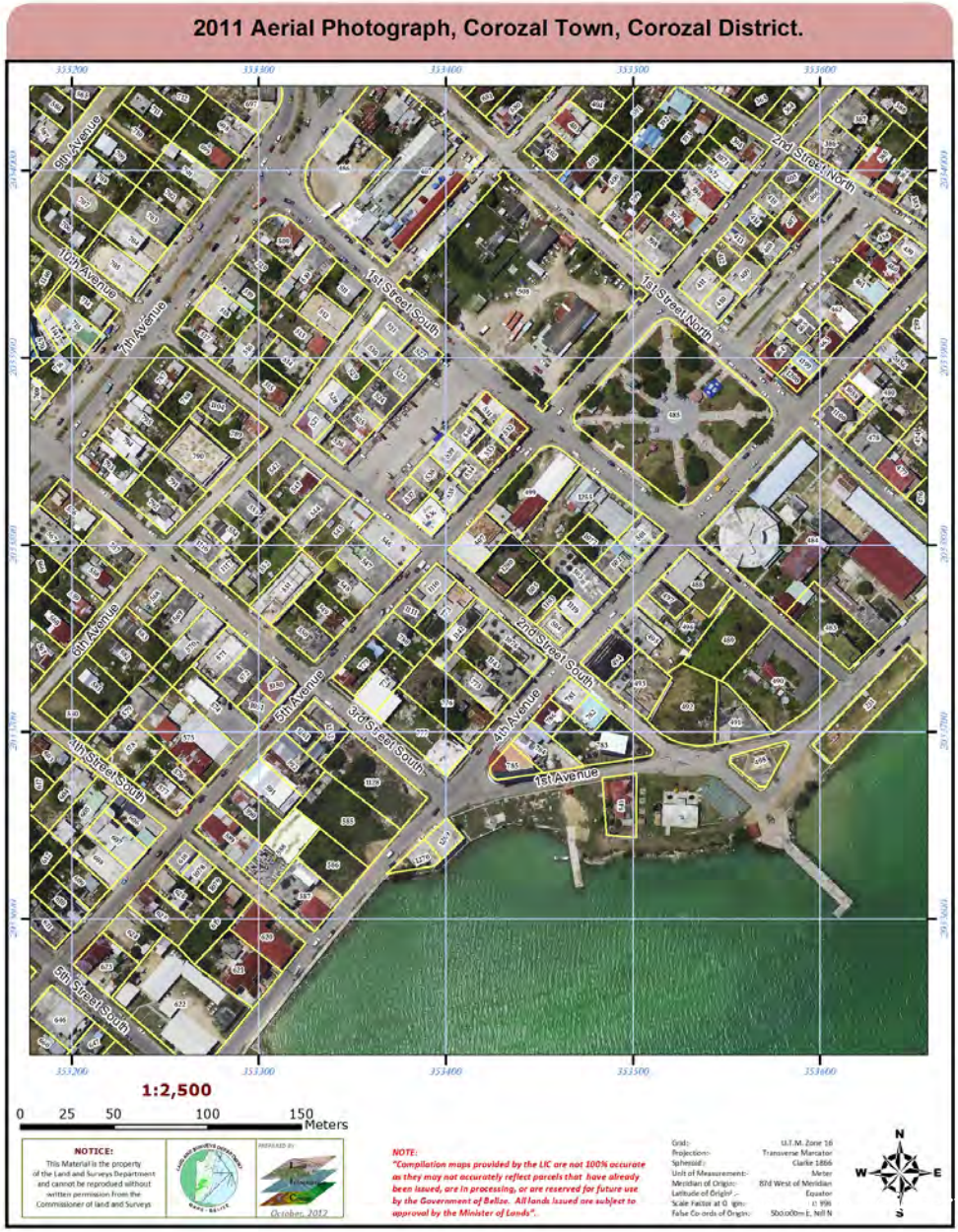
Beverly Castillo,
Chief Executive Officer,
Ministry of Natural Resources

"The Government is aware that it has much work to do in creating a land management system that provides all the requisite services at the level that will promote maximum economic growth and development. We are confident that we are on the correct trajectory to achieve this goal with the continued support from our partners at the IDB."

Hugo Moguel,
Real Estate Broker

"Having a reliable and transparent computerized system for land records can contribute to a positive real estate market and investor climate. By inputting the data accurately and managing the information generated, the Belizean real estate market can become responsive to both sustainable development and private sector investment."

A MODERN NATIONAL REGISTRATION SYSTEM



LAND MANAGEMENT

The connection between Belizeans and their land is cultural, spiritual and financial. But the motivation to invest and develop any property is grounded in the concept of secure land tenure. Over the last 15 years, the IDB has supported government efforts to create a reliable system of land management and give individuals secure land tenure. Through a three-phase Land Management Program, valued at more than US$ 10 million, the country has embarked on a major process of modernization of its land management services as a means to promote investments in key economic sectors such as agriculture and tourism. The first of the three programs was approved in 1997; the second in 2001; and the third in 2009.

Important results of this program are the inclusion of 238,000 active land registers and 19,000 active lease registers within *Landfolio*®— an automated and integrated land parcels management system. This system now allows the Land and Surveys Department of the Ministry of Natural Resources and Agriculture, as well as the respective district offices, to manage information such as property registration, cadastral mapping and tax valuation. The Department's Survey and Mapping section has created a database comprised of 174,000 parcels and a total of 86,000 property valuation sheets have been converted to digital format. The 93,000 folios (land records which contain all relevant information in regard to property and ownership) which comprise the National Estate section (government owned lands) enable the main office in Belmopan to track the status of lease applications that take place in the six district offices in Corozal, Orange Walk, Belize City, San Ignacio, Dangriga and Punta Gorda.

This land parcel-oriented management system has allowed the integration of all seven sections of the Ministry's Land and Surveys Department (National Estate, Survey and Mapping, Land Information Center, Valuation, Revenue, Land Registry Titles, and Physical Planning) as well as the connection of Belmopan to all district offices through the IT network. This provides Belizeans with country-wide access to a modernized and efficient land information system. With the conclusion of the third phase of the program, Belize will have registered over 170,000 urban and rural land parcels in a nationwide digital cadastre system. This represents about 70 percent of all land parcels and will contribute to land security and a dynamic land market for investments.

Land Mangement Programs

Date First Loan Approved: 1998

IDB Financing (3 phases): US$ 10.4 million

Active land/lease parcels registered in *Landfolio*®: 257,000

IMPROVING BELIZE'S AGRICULTURAL HEALTH SYSTEM

AGRICULTURE

The dominant products of Belize's agricultural sector are sugar, bananas and citrus. These crops are principal sources of foreign exchange earnings and employment — more than 20 percent of the country's labour force is classified as agricultural. Agricultural products are also important contributors to Belize's gross domestic product, accounting for around 8.5 percent of GDP annually.

With the IDB's support, over the last two decades Belize has significantly improved its agricultural health system. Through the Agricultural Health Service Program, co-financed by the IDB, the Belize Agricultural Health Authority (BAHA) was legally and operationally established as a statutory body in 2000. The construction and rehabilitation of detection posts, quarantine facilities and diagnostic laboratories has helped lower the prevalence of specific animal and plant pests and diseases. Belize currently holds "Free From" status for Mediterranean fruit fly, classical swine fever, Newcastle poultry disease, foot and mouth disease and bovine brucellosis. This status facilitates access to international markets for key agricultural export products from Belize.

In August 2012, BAHA officials teamed up with Belizean producers to conduct the country's first cattle sweep: a comprehensive survey of Belizean cattle. Based on BAHA's certification of "disease free cattle", the livestock are now eligible to be exported to Mexico. The certification process will not only allow the export of beef to Mexico but will also contribute to a more dynamic development of the entire industry, which will create additional employment and transform the sector into a major revenue earner.

With support from the IDB-financed Agricultural Services Program approved in 2009, and in collaboration with other international agencies such as the Inter-American Institute of Cooperation on Agriculture and the International Regional Organization for Agricultural Health, Belize continues to strengthen BAHA's key divisions of Animal Health, Plant Health, Food Safety and Quarantine, thereby contributing towards more effective and efficient public agricultural health services.

Jose Alpuche,
Chief Executive Officer for Agriculture,
Ministry of Natural Resources and Agriculture

"This cattle sweep is one of the most important things that has happened in agriculture in Belize. This has a lot of potential to increase the numbers, not only of cattle, but of the entire livestock sector in Belize beyond recognition. It is an initiative that has been a long time coming and because of BAHA, our Belizean producers can now be the primary beneficiaries of new and expanding markets for beef."

National Assembly Building
Belmopan

ECONOMIC POLICY REFORM AND PRIVATE SECTOR DEVELOPMENT

The IDB supports public sector reform mainly through policy-based lending and technical cooperation and, over the years, has financed a number of operations in economic policy reform in Belize. In 2006, Belize joined the Bank's PRODEV initiative, aimed at strengthening results-based management in the public sector, in areas such as health, education, finance, planning and budgets. An IDB policy-based loan, approved in 2009, further supported the Government of Belize in introducing legislation on fiscal transparency and responsibility, and implementing a medium-term fiscal framework.

In 2011, the Bank also financed an assessment of the public pension system and the development of an actuarial model for pension system projections. The model will allow the evaluation of different reform options and the simulation of implementing them at different moments in time to ensure the system's fiscal sustainability.

The IDB has, moreover, financed training for public officials in oil revenue management and is currently providing technical assistance to strengthen public financial management, government procurement systems and management of the public sector investment program.

Economic policy crucially determines a country's business climate, and Bank-financed interventions have supported several government efforts to accelerate private sector development in Belize. Through Compete Caribbean, an initiative financed jointly by the IDB, the Canadian International Development Agency and the United Kingdom Department for International Development, the Belize Trade and Investment Development Service (BELTRAIDE) has received technical assistance to strengthen its investment promotion capacity. The IDB has moreover financed the development of Belize's Aid for Trade Strategy, which defines priorities for action to improve the country's integration with regional and global markets.

The IDB also provides direct support to the private sector. In 2009, the Bank approved a US$ 1 million Trade Finance Facilitation Program for Atlantic Bank. Other support to the private sector has come from the two IDB group members, the Inter-American Investment Corporation and the Multilateral Investment Fund.

Joseph Waight,
Financial Secretary,
Ministry of Finance and
Economic Development

"We are vulnerable to external exogenous shocks: the world financial crisis, natural disasters, things that are beyond our control. It's important that we can tap into funds very quickly but at the same time, we have an obligation to manage our affairs properly so that we have access to borrowing in times of need. The IDB has been helpful to us in giving us advice in sectors such as environment, in energy, small business enterprises — things to help develop and grow and diversify the economy so that we can be less vulnerable to these shocks when they come."

GENERATING GREEN POWER

THE INTER-AMERICAN INVESTMENT CORPORATION: SUPPORTING BELCOGEN

In northern Belize, more than 8,000 families depend on the sugar cane industry for their very survival. Each harvest, the farmers deliver in excess of 1 million tons of sugar cane to the country's sole processor, Belize Sugar Industries Limited. For many years, after the juice was extracted from the cane, the huge quantities of bagasse (sugar cane fibre) were left to rot simply because there was no alternative.

Then BSI turned to the concept of agro-energy: the ability to produce reliable, affordable and sustainable electricity using agricultural material. The company decided to build a cogeneration plant using bagasse as the fuel to create a more energy efficient source given the ever rising prices of fossil fuels. The project also had another important benefit — alleviating the country's dependency on electricity imports from Mexico. Belize depends heavily on Mexican power to meet national demands through an agreement between Mexico's Comisión Federal de Electricidad (CFE) and Belize Electricity Limited. The contribution from Belize Cogeneration Energy Limited, known as BELCOGEN, now lessens demand for Mexican power.

BSI combined funding from the IIC and several other international lending institutions to build the facility. Today, the power plant is not only the first commercial scale cogeneration plant in Belize but also provides important economic and social benefits to the entire country. Following the acquisition of a major equity stake in BELCOGEN's parent company, BSI, by the ASR Group in 2012, IIC's catalytic role in launching the project and facilitating private investment has been fulfilled.

Joey Montalvo,
Chief Executive Officer,
Belize Sugar Industries
Limited

"IIC's important role as a catalyst for economic development in Belize, through its lending support for the BELCOGEN project, has resulted in significant economic stimulus and advancement of technology and training levels within the country. As the BSI Group enters a new era of expansion and productivity improvements, IIC should be very satisfied in the knowledge that it has successfully fulfilled its role in supporting the establishment of an essential infrastructure project in the Central American region."

2012
International
Year of
Credit Unions and Co-ope
Credit Unions Build A Better Wo

MULTILATERAL INVESTMENT FUND: HELPING THE CREDIT UNION SECTOR

Since its inception in the 1940s, the credit union movement in Belize has steadily gained momentum. National statistics reveal that as of March 2012, more than 131,000 Belizeans, or 34 percent of the population, are members of one of ten active credit unions. The number grows each year at an average rate of 4.5 percent. Total savings and deposits are approximately US$ 250 million while assets are estimated at US$ 300 million.

Credit unions assist the most financially marginalized members of society to access financing with which to improve their lives. Members are also owners and benefit from favourable rates, higher dividends and loan rebates. Credit unions are more flexible than commercial banks should members encounter financial struggles.

Through a technical cooperation agreement, the MIF has supported institutional strengthening of the credit union sector in Belize. From 2007 to 2012, the MIF provided more than US$ 570,000 in non-reimbursable technical assistance through the Belize Credit Union League to support innovation and expansion of the range of services offered to credit union members. The project also provided funding to the Central Bank of Belize for credit union supervision, in order to improve regulation, monitor performance, and develop sector standards. The project enabled the sector to procure software and basic computer equipment to upgrade operations systems. As a result, the accounting records of participating credit unions are now automated and modern products and services, such as shared ATM access and online banking, have been introduced. In addition, standardized policy manuals for credit unions have been developed and implemented.

Corinne Fuller,
Executive Director,
Belize Credit Union League

"The credit union's philosophy is people helping people help themselves. We want to continually expand and improve the services we can offer. This project was useful because it strengthened our capacity to serve our members and that is especially significant during these times when the economy is not as vibrant as we would want it to be."

BUDDING DEVELOPMENT: SWEET SUCCESS FOR BELIZEAN CHOCOLATE

SUPPORTING CACAO GROWERS

Indigenous Maya live in more than 50 villages spread across the rural areas of the Toledo district in southern Belize, the poorest of the country's six districts. Subsistence farming, referred to as the *milpa* system, is the primary occupation. Like indigenous populations across the world, the Maya of Belize are struggling to retain their traditional lifestyle, customs and values.

The cacao bean features prominently in the Maya way of life. Not only was cacao used as money, it was the Maya who figured out how to turn the bitter bean into the first form of chocolate. Today, with technical capacity-building support in the form of grant funding of over US$ 750,000 from the MIF and additional funding from Kraft Foods UK, Belizean Maya are being equipped with the tools, skills and support with which to expand and improve the cultivation of cacao, turning it into a profitable, viable and sustainable crop. Traditionally organic farmers, the Maya are once again planting sufficient quantities to meet niche market demands for the cacao used in chocolate production. Belizean cacao beans fetch above-premium prices not only for their distinctive flavour but also because of their authenticity.

Training manuals are being produced in the Maya languages of Q'eqchi' and Mopan. Each project participant in the project must be accompanied by two family members at every training session to increase financial literacy within the family.

Belizean cacao is certified as both organic and fair trade. However, growing organic cacao has a unique set of challenges including the control of *Monilia roreri*, or pod rot fungus. In response, the Toledo Cacao Growers Association has experimented with an innovative pruning program that is successfully controlling the disease, making Belize the first country in the region to contain the spread of the pod rot fungus. It is estimated that the increased cacao production will double exports to European markets as well as sales to local processors of gourmet boutique chocolates.

Pablo Bol,
Cacao Farmer

"I want my kids to make a better life than me. I am not much qualified but I can do farming. Cacao is helping us send them to school, taking care of our children, taking them to hospital, whatever comes."

Armando Choco
Executive Director,
Toledo Cacao Growers Association

"We are targeting about 800 members of the Toledo Cacao Growers Association under this project and it will indirectly benefit about 5,000 individuals — men, women and children. This project will fast track the production of cacao by as much as 100 percent over the next few years."

Hurricane Keith Aftermath 2000
San Pedro Town

DISASTER RISK MANAGEMENT

Belize is highly vulnerable to hurricanes, tropical storms, coastal erosion, storm surge and flooding. Earthquakes with epicenters in neighbouring countries have also caused significant damage to Belize. Climate change poses additional risks given the low elevation of much of the land area; the high concentration of population in coastal communities; and the reliance of the economy on natural resources.

Over the last two decades, a number of storms and floods have severely affected residents in every district of the country. In the late 1990s, many Belizeans paid little attention to disaster preparedness. All that changed when a hurricane named "Mitch" came along. Mitch became a named storm in October 1998 and rapidly developed into a category five hurricane, packing maximum sustained winds of more than 180 miles per hour. For several terrifying days, the massive storm appeared to be heading straight for Belize. Mitch veered south at the last minute, hitting Honduras before drifting through Guatemala and Mexico and into the Bay of Campeche. In its wake, Mitch claimed the lives of more than 11,000 people, left another 2.7 million homeless and caused more than US$ 6 billion in wind and flood damage. It was the second deadliest Atlantic hurricane in history.

The frighteningly close call highlighted the need for policy and planning in disaster preparedness and response for Belize. At that time, there was no full time staff, group of dedicated officers or even a national work program in place for disaster risk management. Following Hurricane Mitch, Belize put in place several actions to improve institutional capacity for preparedness and response.

With financing from the IDB (US$ 17 million) and the Caribbean Development Bank, between 2000 and 2006, the government implemented the Hurricane Rehabilitation and Disaster Preparedness Project. Its objective was to reduce Belize's vulnerability and to increase its response capacity to natural disasters. Under this project, the government approved a Disaster Preparedness and Response Act; established the National Emergency Management Organization (NEMO) as a Department of Government; and constructed a National Emergency Operating Center. More than 2,500 personnel were trained in disaster mitigation and management and a maintenance policy for the Ministry of Works was completed. In addition, seven regional hurricane shelters were constructed, 218 buildings were retrofitted, and the draining infrastructure in Belize City was improved. Water and sewage works were also retrofitted and expanded in Belmopan, and two public piers were reinforced in Caye Caulker and San Pedro.

Lily Bowman,
Director General,
Belize Red Cross

"Without donors like the IDB, the Belize Red Cross could never achieve all that we have achieved, especially during times of disaster. We would never be able to meet the needs of those people and to have a positive impact on getting them back on track and back to some sort of normalcy in their lives."

NEMO is chaired by the Prime Minister and during times of disaster, it comprises personnel from a number of government and non-governmental agencies as well as civilian representatives. The NEMO system includes the national and local emergency committees set up around the country, and its mission is to "preserve life and property throughout the country of Belize in the event of an emergency, threatened or real, and to mitigate the impact on the country and its people."

In addition to such support, the IDB has provided vital emergency humanitarian assistance to aid affected residents as well as emergency loan funding to restore basic services such as electricity, roads and other critical infrastructure to the population in the aftermath of the natural disasters that have affected Belize.

Most importantly, the IDB continues to support government efforts to shift from a position of disaster preparedness and response to a focus on comprehensive disaster management, with an emphasis on risk reduction and mitigation. Specific areas currently approved for IDB funding include institutional strengthening for NEMO, flood risk reduction initiatives in the agricultural sector and the revision of the Disaster Preparedness and Response Act to reflect a comprehensive disaster management approach.

Through a US$ 10 million loan, the IDB is also funding government efforts to rehabilitate, improve and maintain drainage, as well as street and road infrastructure in Belize City to reduce the commercial capital's vulnerability to flooding.

Hurricane Dean Response
2007

Anneke Jessen,
IDB Country Representative
Belize

"The IDB will continue to support sectors where we have traditionally been active, or venture into new areas of support, depending on the country's own strategic priorities. The Bank looks forward to many more years of fruitful collaboration with the government and people of Belize. "

LOOKING AHEAD: BUILDING ON PAST EXPERIENCES

The preceding pages offer just a few examples of the IDB's partnership with Belize in the last two decades. Some projects — the Southern Highway, new tourism infrastructure, and post-hurricane reconstruction — have been more visible to Belizeans than others. But even small technical assistance projects have had significant and lasting impacts when they have spearheaded real policy reform.

Twenty years on, what lessons has the IDB learned from its programs in Belize? We have certainly learned that project execution is not always a straightforward matter. Even with the best project design, and the most dedicated project staff on the ground, bottlenecks can arise that demand creative and quick responses, and a good degree of flexibility. Bad weather can delay construction; staff shortages in project executing units cannot always be addressed immediately; government priorities for investment or policy can change; and procurement processes can take long when quality is all important but budgets are constrained. In recent years, the IDB has significantly increased its field-based staff, both technical and operational, to ensure that its teams are close by to help smooth the process of execution. The Bank has also expanded its support for training in project management to local executing agencies.

By being close to the client, specific country needs are easier to identify, and technical expertise is used more effectively to match project designs to those specific needs. The IDB's country offices are now responsible for leading the Bank's country and policy dialogue with the government, as well as the preparation of country strategies and programming. They also host regular meetings of the Bank's Civil Society Advisory Groups, created in 2010, to provide feedback on IDB programs and projects. The importance of consulting with multiple actors in the design and implementation of projects, including those most directly affected by these projects, has become ever more apparent as the IDB has expanded its program in Belize.

Finally, measuring results of past interventions is crucially important to help improve future project design and execution. So too is effective communication of those results. The IDB's MapAmericas initiative does just that. MapAmericas is an online platform that allows users to view and track the results of development projects financed by the Bank and carried out by its member countries in Latin America and the Caribbean. The Bank is in the process of populating the platform, and expects all current projects to be online by the end of 2013.

OPERATIONS IN BELIZE 1992-2012

LOANS

Project Name	*US Dollars*
Environmental and Social Technical Assistance	2,600,000
Loan TC Land Administration	902,000
Rehabilitation of the Southern Highway	16,000,000
Modernization of Agricultural Health Services	3,600,000
Hurricane Rehabilitation and Disaster Preparedness	21,333,000
Tourism Development	11,000,000
Health Sector Reform	9,800,000
Hurricane Keith Emergency	20,000,000
Land Administration II	7,000,000
Macroeconomic and Public Financial Sector Reform Program	25,000,000
Solid Waste Management Project	11,150,000
Sustainable Tourism Program	13,322,000
Emergency Road Rehabilitation Program Flooding Tropical Depression	5,000,000
Social Policy Support Program	15,000,000
Land Management Program III	2,500,000
Agricultural Services Program	5,000,000
Community Action for Public Safety	5,000,000
Integrated Water & Sanitation Program for the Placencia Peninsula	5,000,000
Flood Mitigation Infrastructure Program for Belize City	10,000,000
Total	189,207,000

TECHNICAL COOPERATION & INVESTMENT GRANTS

Project Name	*US Dollars*
Prepare Small Projects	30,000
Studies of Southern Highway Project	150,000
Support in National Planning Strategies	30,000
Environmental Impact Assessment of Southern Highway	76,950
Biosystems Evaluation	76,960
Support National Development Foundation	365,000
Support Enterprise for Sustained Technology	365,000
Free Zone Implementation	19,976
Support Ambergris Caye Development	30,000
Credit Management Information System	20,000
Support Policy Planning Unit of the Ministry of Health	1,800,000
Cadastral Surveying and Land Titling	21,000
Strengthening of Public Sector Investment Program	18,062
Project Preparation of Agri-Industry	80,000
Improvement in Tax Administration	17,000
Ecotourism Marketing	50,000
Belize Fisheries Sector Assessment	43,000
Belize Fisheries Sector Assessment	5,000
Tourism Development Plan	248,800
Solid Waste Management	566,720
Action Plan for C and D Countries	480,000
Solid Waste Planning	27,700
Land Administration Project	350,000
Opportunities for Women's Leadership	56,100
Institutional Strengthening Protected Areas Conservation Trust	14,198
Establishment of an Environment Statistics Unit	150,000
Central Bank Supervision Improvement	150,000
Coastal Environmental Monitoring	100,000

TECHNICAL COOPERATION & INVESTMENT GRANTS (cont'd)

Project Name	*US Dollars*
Community Participation Improvement	75,000
Emergency Assistance Hurricane Mitch	50,000
Remote Sensing Application Coastal Zone Management	70,000
Strengthening National Emergency Management Organization	150,000
Information Technology Project	26,000
Reorganization Ministry Natural Resources	21,900
Training in Statistics	18,000
Feasibility Study: Potable and Wastewater	195,250
Legal Information Network	150,000
PACT: Program Evaluation	30,000
Assessment of Microcredit Institutions	30,000
Feasibility Studies for Land Management	100,000
Maya Community Consultation Process	10,000
Assistance to Central Statistical Office	75,000
Hurricane Keith Emergency Assistance	50,000
Archeological Facilities Design Support	30,000
Support for Belize Ministry of Health	14,500
Institutional Strengthening — Trade Negotiations	98,243
Mountain Pine Ridge Rehabilitation and Management Project	150,000
Land Management Program	16,000
Support to the Central Statistics Office	20,500
Support for Toledo Eco-Tourism Projects	150,000
Hurricane Iris Emergency Assistance	50,000
Training on Tourism Industry in the Bahamas	15,000
Support for Central Statistics Office	140,000
Archaeological Tourism Sector	5,000
Assistance for Preservation of the Garifuna Culture	140,000
Archeological Tourism Sector	12,500
Support for Belizean National Poverty Elimination Strategy & Action Plan	300,000
Strengthening Local Governments and Solid Waste Management Authority	100,000

Project Name	*US Dollars*
Improving Capacity to Negotiate the FTAA	115,500
Strengthening the National Response to HIV and AIDS in Belize	109,740
Strengthening Government's Capacity to Combat Human Trafficking	100,000
Strengthening Results-Based Management in the Public Sector	450,000
Procurement Capacity Development Workshop	8,500
Livestock Guarantee Fund Program	18,000
Development of a Policy Note on Indigenous Peoples in Belize	30,000
Tourism and HIV/AIDS: Capacity Building in the Tourism Sector	106,020
Studies for the Preparation of the Sustainable Tourism Program	368,000
Emergency Assistance Due to Hurricane Dean	100,000
Emergency Assistance Due to Tropical Depression 16	200,000
Domestic Airstrips	47,206
Design of Public Investments Supporting Agricultural Competitiveness	133,000
Strengthening Belize's Fiscal Transparency and Responsibility	220,000
Implementing the Social Agenda of the National Poverty Elimination Strategy	1,725,000
Belize City Downtown Rehabilitation	640,000
Support for the Preparation of an Integrated Disaster Risk Management	400,000
Strengthening of Pension Systems in Belize: Evaluation and Reform Proposal	350,000
Support the Implementation of the Action Plans to Strengthen the PFM	900,000
Support the Preparation and Execution of the CAPS Operation	350,000
Detailed Design of Wastewater Collection and Treatment System in Placencia	500,000
Enhance Coordination of Belize Reform Agenda in Public Expenditures	60,000
Enhancement of the Belize Teaching Force	1,000,000
Action Plan for C and D Countries	190,000
Support to Sustainable Urban Infrastructure Systems in Belize City	450,000
Salud Mesoamerica 2015 Initiative—Belize	250,000
Action Plan for C and D Countries	210,000
Technical Exchange to Further Strengthen Belize's CAPS Programme	20,000
Total	16,685,325

PRIVATE SECTOR

Project Name	*US Dollars*
Atlantic Bank Ltd. - TFFP	1,000,000
Belize Co-Generation Energy Ltd. (IIC)	6,000,000
Total	7,000,000

MULTILATERAL INVESTMENT FUND

Project Name	*US Dollars*
Trade Promotion and Business Development	1,146,786
Youth Training Program	792,000
Port Sector Modernization	1,050,000
Support for Health Services Acquisition	771,650
Training Ecotourism Program	700,000
Mentoring Model to Develop Young Entrepreneurs	400,000
Capacity Building for Trade and Investment Promotion	490,000
Banking and Non-Banking Supervision	500,000
Strengthening of Public Utilities Commission	500,000
Improving Small Business Competitiveness in the Tourism Industry	580,000
Strengthening of Airport Security	142,880
Institutional Strengthening of the Credit Union Sector	577,000
Closing the Gap between Maya Farmers & Global Organic Cocoa Market	748,976
Total	8,399,292

IDB Country Office in Belize

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Headquarters:
1300 New York Avenue, N.W.
Washington, DC 20577, USA

The IDB in Belize:
1024 Newtown Barracks
101, First Floor
Marina Towers Building
Belize City, Belize

Tel: +(501) 221-5300

IDBBelize@iadb.org