

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**BELIZE**

**REFORMULATION PROPOSAL OF THE SUSTAINABLE TOURISM PROGRAM II (BL-L1020)  
(3566/OC-BL) FOR THE FINANCING OF**

**THE IMMEDIATE PUBLIC HEALTH RESPONSE TO CONTAIN AND CONTROL THE  
CORONAVIRUS AND MITIGATE ITS IMPACT ON SERVICE DELIVERY IN BELIZE**

**REFORMULATION PROPOSAL**

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<b>ABBREVIATIONS</b>	
CARPHA	Caribbean Public Health Agency
COVID-19	Coronavirus Disease 2019
EA	Executing agency
ECLAC	Economic Commission for Latin America and the Caribbean
ESMP	Environment and Social Management Plan
ESMR	Environmental and Social Management Report
ESS	Environmental and social strategy
GBV	Gender-Based Violence
ICU	Intensive Care Unit
IPV	Intimate Partner Violence
MoH	Ministry of Health
MTCA	Ministry of Tourism and Civil Aviation
LAC	Latin America and the Caribbean
OAS	Organization of American States
PAHO	Pan American Health Organization
PEU	Project Executing Unit
SPF	Safeguard policy filter
SPRP	Strategic Preparedness and Response Plan
SSF	Safeguard screening form
SWMP	Solid Waste Management Project
WEF	World Economic Forum
WHO	World Health Organization
WTTC	World Travel and Tourism Council

## I. PROGRAM BACKGROUND AND PROGRESS

### A. Purpose and request of the government for the reformulation of the Program 3566/OC-BL

- 1.1. The purpose of this document is to request the approval of the Board of Executive Directors of the reformulation of the Sustainable Tourism Program II (loan contract 3566/OC-BL) to reorient undisbursed funds to support the Immediate Public Health Response to contain and control the Coronavirus and mitigate its impact on service delivery in Belize.
- 1.2. The Government of Belize (GoB), through Note IA/IDB/1 Vol V(52) ([OEL#6](#)), received on March 25th, 2020, requested the Bank the reprogramming of 10% of the undisbursed balances of Belize's current country portfolio to assist the GoB with its response to the impact of the crisis resulting from the COVID-19 pandemic. The GoB requested to reprogram US\$6.2 million from the Sustainable Tourism Program II (3566/OC-BL) for assistance to the health sector.

### B. Program background

- 1.3. **Tourism sector in Belize.** Tourism is the most important economic sector for Belize, with a total contribution to the economy at around 36% to the GDP in 2018.<sup>1</sup> The sector has been severely affected by the economic impacts of COVID19, with projections of a significant contraction in the coming months. The Belize Tourism Board (BTB) reported that overnight arrivals to Belize fell by 59%, in March and larger expected declines in the subsequent months could accumulate a significant reduction in overnight tourist arrivals in 2020, with direct impact on the jobs provided by the sector, that account (considering direct and indirect employment) for 38% of Belize total employment.<sup>2</sup>
- 1.4. On October 21st, 2015, the Board of Executive Directors of the Inter-American Development Bank (IDB) approved the "Sustainable Tourism Program II" (BL-L1020, 3566/OC-BL), in the amount of US\$15 million of the Ordinary Capital (OC) of the Bank. On January 11th, 2016, the Loan Contract was signed. The conditions prior to first disbursement were met and, consequently, eligibility for disbursements was declared on May 04<sup>th</sup>, 2016.
- 1.5. The program's objective is to increase the tourism sector's contribution, in terms of employment and income, to national sustainable and resilient socioeconomic development. Its specific objectives are: (i) enhancement of cultural and natural attractions to diversify tourism products; (ii) promoting disaster and climate resilience and environmental sustainability in the tourism destinations; and (iii) improving sector governance and creating enabling conditions for private sector investment in overnight tourism. The program has three components: (i) enhancement of the tourism product; (ii) promoting disaster and climate resilient tourist destinations and environmental sustainability; and (iii) institutional strengthening and capacity building.

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<sup>1</sup> World Travel and Tourism Council (WTTC) database, consulted May 2020.

<sup>2</sup> idem.

### C. Program progress

1.6. The original date for the program's last disbursement (which has not been modified to date) is January 11th, 2021. Of the total amount of US\$15 million of IDB financing for the program, US\$3,635,000 has been disbursed to date (24% of the original amount). Executed and committed funds add up to US\$5.7 million (38% of the original amount). Therefore, the current uncommitted balance is US\$9.3 million. To date the program has built four visitor facilities in archaeological sites, has completed tourism signage in two tourist destinations and has implemented six feasibility studies (three key outputs related to Component 1). In addition, under Component 3, the consultation for the update of the national tourism policy has also been completed. Currently, there are five outputs under Component 2, in execution: among them the vulnerability, risk assessments and crisis management plans in four destinations. The training of tourism employees and provision of technical assistance and grants for small and medium size enterprises (SME's) under Component 3, have not started their implementation yet, because it was planned to be implemented in the last year of the program.

1.7. **Description of proposed changes to the Sustainable Tourism Program II.** The amount to be reoriented to support Belize's health sector response to COVID-19 is \$6.2 million, which represents 41% of the program's original budget. Table 1.1 displays the original budget of the program, the amount of resources to be reduced as well as the total reformulated amount. The table has information on the amounts per component as well as per outputs.

**Table 1.1 Description of change (US\$ thousands)**

No.	Components	Current budget	Reformulated budget	Reduction of the budget
<b>1</b>	<b>Component 1: Enhancement of the tourism product</b>			
1.1	Number of visitor facilities built in archaeological sites managed by NICH	\$ 2,055,500	\$ 1,183,514	\$ 871,986
1.2	Number of town centers with cultural attractions completed	\$ 2,132,500	\$ 1,625,139	\$ 507,361
1.3	Number of natural protected areas with visitor facilities improved and developed	\$ 1,604,000	\$ 90,000	\$ 1,514,000
1.4	Number of destinations with coastal infrastructure completed	\$ 2,823,000	\$ -	\$ 2,823,000
1.5	Number of destinations with signage installed	\$ 425,000	\$ 365,834	\$ 59,166
1.6	Number of management plans, designs and feasibility studies completed	\$ 1,328,000	\$ 1,774,130	\$ (446,130)
	<b>Total component I</b>	<b>\$ 10,368,000</b>	<b>\$ 5,038,617</b>	<b>\$ 5,329,383</b>
<b>2</b>	<b>Component 2: Promoting disaster and climate resilient tourist destinations and environmental sustainability</b>			
2.1	Number of guidelines for improving disaster and climate resilience in the tourism sector completed and endorsed by the MTCA	\$ 75,000	\$ 134,038	\$ (59,038)
2.2	Number of vulnerability and risk assessments completed and presented	\$ 200,000	\$ 110,727	\$ 89,273
2.3	Number of disaster and climate resilience destination plans completed	\$ 300,000	\$ 110,727	\$ 189,273
2.4	Number of destination crisis management plans completed and endorsed by LTCs	\$ 200,000	\$ 110,727	\$ 89,273
2.5	Number of environmental monitoring plans implemented in the destinations	\$ 200,000	\$ 331,540	\$ (131,540)
2.6	Ecosystems service evaluation completed for Toledo	\$ 40,000	\$ -	\$ 40,000
	<b>Total component II</b>	<b>\$ 1,015,000</b>	<b>\$ 797,761</b>	<b>\$ 217,239</b>
<b>3</b>	<b>Component 3: Institutional strengthening and capacity building</b>			
3.1	National statistic digest with demand and expenditure data by type of tourism published by BTB	\$ 200,000	\$ 217,333	\$ (17,333)
3.2	Destination tourism statistic digest published by BTB	\$ 300,000	\$ -	\$ 300,000
3.3	National tourism policy consultation process completed and policy submitted to the Cabinet of Belize	\$ 75,460	\$ 75,460	\$ -
3.4	National Tourism Act consultation process completed and Bill submitted to the Cabinet of Belize	\$ 74,540	\$ 74,540	\$ -
3.5	Number of LTCs that received technical assistance for implementation of destination plans by MTCA	\$ 400,000	\$ 400,000	\$ -
3.6	Responsible tourism awareness and outreach campaign completed	\$ 100,000	\$ 99,019	\$ 981
3.7	Number of enterprises that received grants to invest in improving their tourism product quality	\$ 500,000	\$ 601,670	\$ (101,670)
3.8	Number of enterprises that received technical assistance to assess product quality and/or environmental or social aspects of their business	\$ 200,000	\$ 200,000	\$ -
3.9	Number of tourism employees that are trained in tourism	\$ 200,000	\$ 200,000	\$ -
	<b>Total component III</b>	<b>\$ 2,050,000</b>	<b>\$ 1,868,022</b>	<b>\$ 181,978</b>
	<b>Project management</b>			
	Program Management	\$ 838,925	\$ 838,925	\$ -
	Audit	\$ 60,000	\$ 56,675	\$ 3,325
	Project Evaluation	\$ 300,000	\$ 200,000	\$ 100,000
	Contingency	\$ 368,075	\$ -	\$ 368,075
	<b>Total Project management</b>	<b>\$ 1,567,000</b>	<b>\$ 1,095,600</b>	<b>\$ 471,400</b>
	<b>Total Sustainable Tourism Program II</b>	<b>\$ 15,000,000</b>	<b>\$ 8,800,000</b>	<b>\$ 6,200,000</b>

- 1.8. The reorientation of resources towards the immediate health response will not require a modification in the general objective of the Tourism Program. However, considering that the reorientation includes a reduction of the scope of some outputs of the original program, it was necessary to make modifications to the impact indicators and expected outcomes related to these outputs. Given sector and country realities experienced during implementation of the program, the relevance of its design has been enhanced by modifying the impacts and outcomes of the program (reformulated Matrix [Annex IV](#)). For example, the creation/preservation of tourism employment is a high priority of the sector and the impact and outcome indicators were strengthened to reflect this priority. These changes also consider modifications to better adapt the program to the economic impacts of COVID-19 on the tourism sector. These include broadening the geographical and socioeconomic selection criteria of the microenterprises and employees that will benefit from the project activities. This will help address the generalized impact of the current situation on the sector. In line with these changes, a new result indicator, to capture the expected benefit of activities in response to COVID-19, to be implemented under Component 3 of the program has been added (reformulated Matrix [Annex IV](#)).
- 1.9. The modifications of the program are concentrated in Component 1, “enhancement of the tourism product”. The output “number of destinations with coastal infrastructure” will be eliminated. The three tourism destinations that were originally prioritized for the coastal infrastructure were Toledo, Caye Caulker, to be co-financed with the program BL-L1028 (4426/OC-BL), and Corozal. Finally, the coastal infrastructure identified for Caye Caulke will be fully implemented under the program BL-L1028 (4426/OC-BL). The scope of the output “number of town centers that will be improved with the program” will be reduced from two (Corozal and Toledo) to one (Toledo). The output “number of natural protected areas with visitor facilities improved” will be reduced from five natural protected areas to two, Mountain Pine Ridge and the Corozal Bay Wildlife Sanctuary. However, even with the reduction and elimination of some outputs of this component, the outputs already completed (¶1.6), and the outputs which will continue under execution, will contribute to the achievement of the program’s first outcome “Increase of the relative weight in tourism employment of the beneficiary destinations of the program” and the specific objective of “enhancement of cultural and natural attractions to diversify tourism products”. Additionally, the changes will not affect the sustainability of the remaining outputs. The details of the changes in the outputs per component are summarized in (reformulated Matrix [Annex IV](#)).
- 1.10. The estimated US\$3.1 million of uncommitted funds after the reformulation will contribute to investments oriented to enhance the tourism product, under Component 1, and to the implementation of the outputs oriented to support SME’s and to provide training to tourism employees (some of these activities will consider adaptations to respond to COVID-19 economic impact on the sector), under Component 3.
- 1.11. The Tourism components will continue to be executed by the MTCA through its PEU as described in the Loan Contract. The date of last disbursement will be extended 18 months with the objective of allowing the implementation of the additional health components. The last disbursement date will be July 11, 2022.

## II. PROPOSED MODIFICATIONS AND RATIONALE

### A. Background, problem to be addressed, and rationale for the use of resources to support the immediate health response

2.1 **Background.** On March 11, 2020, the World Health Organization (WHO) declared the outbreak of COVID-19; the disease caused by the 2019 novel coronavirus, or nCoV-2019, which affects the respiratory system, a pandemic. As of May 12<sup>th</sup>, the WHO has reported 4,088,848 confirmed cases in 215 countries, resulting in more than 283,153 deaths.<sup>3</sup> The first cases in Latin America and the Caribbean (LAC) were reported in late February. Since then, their number has been rising fast, with 382,000 confirmed cases of COVID-19 and 21,000 deaths reported as of May 12<sup>th</sup>, 2020.<sup>4</sup> The number of cases, and the number of deaths, are expected to continue growing in LAC as some countries have not reached a peak in COVID-19 transmissions yet, and countries that had slowed down the rate of transmission have seen recently an increment of new cases.<sup>5</sup>

2.2 **Macroeconomic and/or social context.** The economic impacts of COVID-19 will be felt through different channels at different times. First, the direct costs related to the health sector response, associated with the priority of saving lives in the very near term. Second, the costs associated with the necessary changes in people's behavior to "flatten the curve" of COVID-19 progression, which will contribute to reduce the burden for healthcare services. These behaviors may be the result of government mandates (closing schools, canceling public events, etc.), decisions made by companies and other institutions (teleworking, cutting back production, etc.), and decisions made by consumers (reducing social contact). This will lead to a very significant economic downturn with immediate manifestations and lingering effects; even once the health emergency is over. From a macroeconomic perspective, in addition to shrinking domestic demand, the Economic Commission for Latin America and the Caribbean (ECLAC) sees at least five channels through which the impacts of the crisis will be passed on to the region's economy:<sup>6</sup> (i) slowing economic activity of key trading partners that will impact the demand for exports; (ii) less demand for tourism services; (iii) interruption of global value chains; (iv) falling commodity prices; and (v) worsening financial terms. In the case of Belize, its tourism-dependent economy would contract by at least 12% in 2020 according to IMF estimates.<sup>7</sup> The major drop in tourism revenues has exacerbated the deterioration of fiscal accounts and external imbalances in the country. While the fiscal deficit could widen from 1.8% of GDP in 2019 to 5.1% of GDP in 2020, the current deficit will more than double from 7.7% of GDP in 2019 to 18.6% in 2020<sup>8</sup>. The situation would further worsen the macroeconomic outlook, as the pandemic takes place when the economy is already in recession due to the

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<sup>3</sup> See WHO Coronavirus disease (COVID-19) Pandemic at <https://www.who.int/emergencies/diseases/novel-coronavirus-2019> (accessed on May 12, 2020).

<sup>4</sup> See IADB Coronavirus impact dashboard <https://www.iadb.org/es/topics-effectiveness-improving-lives/coronavirus-impact-dashboard> (accessed on May 12, 2020)

<sup>5</sup> Ibid footnote 4.

<sup>6</sup> See: <https://www.cepal.org/es/comunicados/covid-19-tendra-graves-efectos-la-economia-mundial-impactara-paises-América-latina>.

<sup>7</sup> See Belize and the IMF. At a Glance, 2020 Projected Real GDP (% Change): <https://www.imf.org/en/Countries/BLZ> (accessed on May 19, 2020)

<sup>8</sup> idem

drought and its effect on the agriculture. This has caused Standard and Poor's and Moody's to downgrade Belize's credit rating, amid concerns about an interest payment deferral or a distressed debt exchange.<sup>9</sup>

- 2.3 **Problem addressed.** The rapid increase in the number of COVID-19 cases in LAC has been putting pressure on health care systems, potentially compromising their capacity to respond to the pandemic in a timely and efficient manner, as well as to maintain essential care for people with other conditions. A recent analysis by the WHO found that most countries in LAC were unprepared to handle the pandemic.<sup>10</sup> On a 5-level scale based on the capacity to manage a public health event of this magnitude (where 1=low and 5=high), Belize was classified as level 3, medium capacity. These gaps impact the entire pandemic management cycle: rapid identification; diagnosis; contact tracing and follow up; infection prevention and control; health measures for travelers; communication with the public about the illness, including overall knowledge, symptoms, risk factors, and prevention measures; and health care (medical personnel and supplies to care for those with COVID-19 and other vulnerable patients).
- 2.4 COVID-19 can be easily spread from person to person through respiratory secretions<sup>11</sup> and direct contact. For this reason, social distancing and isolation measures are essential features of the public health response with the goal of reducing the number of healthy people whom a patient can infect (known as the reproduction number) or, stated another way, the average number of new cases generated by a case over time, to a value below 1. These measures slow the spread of COVID-19, to delay a sudden spike in cases that would overwhelm the health system's capacity to care for patients.<sup>12,13,14,15</sup> Specialized care is necessary for COVID-19 patients.
- 2.5 **Challenges and progress.** As of May 19, 2020, Belize is classified as having "sporadic cases" under WHO transmission classification and it has not entered into the phase of community transmission.<sup>16</sup> Based on the national COVID-19 dashboard, up to May 12<sup>th</sup>, Belize had screened 1,196 people confirmed 18 cases distributed in Belize City (5), San Ignacio (5), Corozal (3), San Pedro (2), and the isolation Zone CZL (1). There are 16 recovered persons and two deaths.<sup>17</sup> There have been no new cases since April 13<sup>th</sup>.<sup>18</sup> However, the GoB is preparing for a possible second wave of cases and ensuring the local testing capacity is

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<sup>9</sup> Standard and Poor's downgraded Belize's credit rating from B-(stable) to CCC (negative) on April 16, 2020, while Moody's downgraded its credit rating from B4(stable) to Caa1(negative) on May 12, 2020.

<sup>10</sup> Operational capacity was evaluated based on the percentage of compliance with 13 areas of capacity for handling public health events established in the International Health Regulations (IHR 2005).

<sup>11</sup> <https://www.who.int/es/emergencies/diseases/novel-coronavirus-2019/advice-for-public/q-a-coronaviruses>.

<sup>12</sup> Hellewell, J., S. Abbott, A. Gimma, N.I. Bosse, C.I. Jarvis, T.W. Russell, et al. Feasibility of controlling COVID-19 outbreaks by isolation of cases and contacts. *Lancet* 2020; 8(4): 488–496.

<sup>13</sup> Day, T., A. Park, N. Madras, A. Gumel, J. Wu. When is quarantine a useful control strategy for emerging infectious diseases? *American Journal of Epidemiology* 2006; 163(5): 479–485.

<sup>14</sup> Ferguson, N., D. Cummings, C. Fraser, J.C. Cajka, P.C. Cooley, D.S. Burke. Strategies for mitigating an influenza pandemic. *Nature* 2006; 442: 448–452.

<sup>15</sup> Dénes, A., A. Gumel. Modeling the impact of quarantine during an outbreak of Ebola virus disease. *Infectious Disease Modelling* 2019; 4:12–27.

<sup>16</sup> WHO. COVID-19 Situation Report-99. April 28, 2020. See: [https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200428-sitrep-99-covid-19.pdf?sfvrsn=119fc381\\_2](https://www.who.int/docs/default-source/coronaviruse/situation-reports/20200428-sitrep-99-covid-19.pdf?sfvrsn=119fc381_2).

<sup>17</sup> Statistical Institute of Belize. COVID-19 By the Numbers. Date of consultation: May 12th, 2020.

<sup>18</sup> Belize Press Office. Update on COVID-19 Cases. April 13, 2020.

expanded.<sup>19</sup> The GoB declared the State of Emergency on April 1<sup>st</sup>, 2020, seven days after the first case was identified and a complete closure of all borders and ports of entry (except cargo) was put into effect as well as a night curfew and nonessential business closures until April 30<sup>th</sup>.<sup>20</sup> After May 1<sup>st</sup> the measures have been relaxed to allow for mobilization of essential workers for essential purposes and for that reason public transportation by land, air and sea has resumed. Government offices have reopened and additional businesses will start to operate during limited hours. However, social distancing is still encouraged, and restrictions for public transportation exist. On April 28<sup>th</sup>, the National Assembly approved a resolution extending the state of emergency for two additional months.<sup>21</sup>

- 2.6 The current reduced number of cases and slow infection rate experienced by Belize may be associated with the lockdown, having social distancing measures put in place early on, and implementing contact tracing activities for imported cases. However, the extent of the transmission is unclear since availability of test kits, and supplies which are critical inputs to identify suspected cases continues to be limited in Belize due to market conditions (shortages and extended time delivery), the laboratory capacity is limited and there are budgetary constraints. MoH has prioritized testing activities in San Pedro, San Ignacio, Corozal, and Belize City where the identified cases were detected, and it is ramping gradually the screening to the rest of the country as tests become available.<sup>22</sup> In addition, the Central Medical Laboratory (CLM) in Belize City is the only lab at this point processing COVID-19 testing samples in the country, and is short of extraction machinery to fast-track the process.<sup>23</sup> The national laboratory capacity will be challenged soon as the number of samples to be tested increases. There are plans to expand capacity to regional labs, conditional to the availability of key supplies and equipment.
- 2.7 Case surveillance at points of entry is strategic for Belize given its tourism activity, and migrant population. However, currently the points of entry (Northern and Western borders, the Philip Goldson International Airport, and the sea port) do not have specific screening and holding areas. The interim solution comprised of installing temporary structures for triage and screening (e.g. military tents)<sup>24</sup> at the Northern and Western borders before these points were closed.<sup>25</sup> The surveillance and case detection capacity, as well as infrastructure at entry points needs to be reinforced.
- 2.8 Belize's healthcare system, in terms of care management capacity, faces perhaps its most significant challenges to meet the additional demand resulted from the COVID-19 emergency. In particular, the MoH has identified, with PAHO's support, critical gaps on availability of nurses, medical officers, and lab technicians among

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<sup>19</sup> Belize Press Office. Prime Minister Rt. Hon. Dean Barrow Updates the Nation on New State of Emergency Measures. April 30, 2020.

<sup>20</sup> Belize Press Office. Prime Minister Rt. Hon. Dean Barrow Announces Countrywide State of Emergency. March 30, 2020.

<sup>21</sup> *idem*.

<sup>22</sup> Ministry of Health (MoH) Facebook Site. Daily COVID-19 disease report-April 27. Date of consultation: April 27, 2020.

<sup>23</sup> MoH. Interim COVID 19 Surveillance Guidelines. March 30, 2020.

<sup>24</sup> News 5 Live. Announcement of the presence of COVID-19 in San Pedro. March 24, 2020.

<sup>25</sup> *Ibid* footnote 20.

other personnel<sup>26</sup> as traditional shortages on health personnel will be worsened by the emergency. Belize counts with a rate of 1 physician per 1,000 persons and 15 nurses per 1,000 persons, both below international standards.<sup>27</sup> Similarly, gaps were identified in availability of Protective Personal Equipment (PPE)s for different care levels (isolation centers, borders, Intensive Care Units, flu clinics, community swabbing) estimated to be more than 62,000 kits, as well as on current inpatient capacity in particular critical care beds at the referral hospital Karl Heusen Memorial Hospital (HKMH) and isolation centers.<sup>28</sup> There is also a gap on the availability of ventilators, and patient monitors, portable X-Rays and ultrasounds for seven isolation centers. The MoH has also identified limited capacity of outpatient services for holding and screening patients in at least six districts.

- 2.9 As other countries facing the same pressure on their health care services, Belize is at risk of displacing key essential services to cope with the additional demand of care. Women in reproductive age face significant barriers to access services such as family planning, prenatal care and safe childbirth; as do patients with chronic conditions and gender-based violence (GBV) victims. Negative outcomes for disrupted services are higher number of unwanted pregnancies, and prevalences of morbidity and mortality. In the case of GBV, the Office of the High Commissioner for Human Rights has raised its concern on the increase on domestic violence coming from lockdown measures.<sup>29</sup> In Belize, domestic violence is the most widely reported form of violence. In 2015, 22% of every partnered-women aged 18-64 years reported physical and/or sexual Intimate Partner Violence (IPV) once in their lifetime.<sup>30</sup> Belize's GBV policies are guided by a multi-sectoral approach.<sup>31</sup> The MoH is responsible for the GBV Belize Surveillance System aiming at ensuring access to adequate health services for GBV victims. Although there are protocols to provide these services in Belize, these need to be updated and disseminated to health practitioners to address potential access barriers to health care services due to COVID-19.
- 2.10 Finally, Belize's health care waste system faces significant challenges in terms of safe treatment of medical waste,<sup>32</sup> as a consequence of inoperative equipment, and limited specialized transportation capacity to dispose the waste. Appropriate medical waste solutions for COVID-19 is required. A sustainable solution is needed for improving the current system, and provide waste management for regional hospitals even after the pandemic.
- 2.11 **Rationale.** As the number of cases of COVID-19 increases in LAC, the countries will need more investment to close gaps in their preparedness and response capacity, to be able to take key measures to contain transmission of the illness and

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<sup>26</sup> MoH. PAHO Hospital capacity progressive expansions tool in response to COVID-19. Belize National Estimate. April 2020.

<sup>27</sup> MoH. Belize Health Sector Strategic Plan 2014-2024. April 2014.

<sup>28</sup> According with information of the MoH and Statistical Institute of Belize, for COVID-19 response, the country accounts for 370 inpatient beds (almost 1 bed per 1,000 - and a occupancy rate of 61%) and 12 Critical Care Beds (0.03 beds per 1,000 - with a occupancy rate of 70%).

<sup>29</sup> Keeping isolation measures increases the hazard of women and children to suffer domestic violence.

<sup>30</sup> Bott, Sarah, et. Al. IPV in the Americas: a systematic review and reanalysis of national prevalence estimates. PAHO. 2019. <https://doi.org/10.266>.

<sup>31</sup> Ministry of Human Development (2017). National Gender Based Violence Plan of Action: A multisectoral Plan to Prevent and Respond to GBV in Belize 2017-2020. p. 8.

<sup>32</sup> WHO. Safe management of wastes from health care activities. Second edition. 2014.

mitigate the health and economic consequences of the pandemic. To respond to these challenges, WHO has prepared guidelines for drafting a COVID-19 Strategic Preparedness and Response Plan (SPRP) ([OEL#2](#)). Moreover, the Pan American Health Organization (PAHO) and the Caribbean Public Health Agency (CARPHA) are leading technical support initiatives to help the region's governments prepare their own SPRPs, including priorities, actions, and financing needs.

- 2.12 In this context, the eight pillars proposed under the SPRP are: (i) coordination, planning, and monitoring; (ii) risk communication and community engagement; (iii) surveillance, rapid-response teams, and case investigation; (iv) points of entry; (v) national laboratories; (vi) infection prevention and control; (vii) case management; and (viii) operational support and logistics. There is evidence of the effectiveness of the proposed interventions ([OEL#3](#)).
- 2.13 **The Bank's experience and lessons learned.** Since 2012, the Bank has supported the health sector in Belize through four investment grants, the Mesoamerica Health Initiative (in its three rounds: GRT/HE-13134-BL; GRT/HE-13135-BL; GRT/HE-14756-BL; GRT/HE-14757-BL; GRT/HE-16712-BL; GRT/HE-16713-BL, respectively), and the Regional Malaria Elimination Initiative for (RMEI) GRT/MM-17257-BL, GRT/MM-17258-BL. The three Mesoamerica Health grants build upon each other to improve reproductive and child health indicators in 2 of the 4 regions in the country, ranging from increasing the availability of key health inputs and establishing new health norms, to increasing coverage and quality of health services. The experience to increase coverage will be useful during the expansion of health service provision as part of the COVID-19 response. The RMEI, currently in implementation, has contributed to the strengthening of the country's epidemiological surveillance system including diagnostics, treatment, and case management which are necessary for the COVID-19 surveillance strategy. All four grants contributed to strengthening the MoH's monitoring capacity of health indicators and the use of Belize's Health Information System (BHIS). The increased monitoring capacity will be fundamental in this operation to monitor COVID-19 evolution.<sup>33</sup>
- 2.14 In addition, during the execution of both the Solid Waste Management Project (SWMP) I (1270/OP-BL,2056/OC-BL) and II (3684/OC-BL), aiming at improving the transport, recovery, and final disposal of municipal solid waste in the country, the importance of having proper coordination between the Belize Solid Waste Management Authority (SWaMA) and other GoB agencies involved in the sector has been identified as a key aspect to improve the performance of the solid waste management sector. Of special relevance is the management of hazardous and health care waste. This lesson informed the design of the activities of safe medical waste management by ensuring proper communication between MoH and SWaMA during the preparation of activities, and by including the development of a health

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<sup>33</sup> Currently, there are two regional TCs approved with the objective to support beneficiary countries, Belize one of them, in their health response for COVID-19. These are ATN/JF-17990-RG, ATN/JF-17991-RG, Operational Support to the Council of Ministers of Health of Central America and Dominican Republic (COMISCA) and ATN/JF-17980-RG, Support to Caribbean Public Health Agency (CARPHA) for Coordinated COVID-19 Response in the Caribbean. These TC will complement the proposed health activities by providing technical assistance in updating protocols, as well as procuring selected supplies for health facilities.

care management plan that follows the guidelines established at the National Solid Waste Management Strategy and Plan, prepared as part of the first SWMP.

- 2.15 **Coordination with other multilateral and/or donor agencies.** Belize developed its COVID-19 operation plan with PAHO's support and is consistent with the eight pillars of WHO's COVID-19 Operational Planning Guidelines to Support Country Preparedness and Response ([OEL#3](#)). The IDB's response is in line with these intervention pillars, ensuring a coordinated effort with other donors supporting MoH. The GoB has received technical support and testing supplies from PAHO, as well as medical equipment from the European Union, and bilateral governments.<sup>34</sup> In order to strengthen coordination efforts, regular communication channels between the GoB, the IDB and other cooperation agencies are in place. IDB's support to the GoB's health sector response to COVID-19, the most comprehensive and largest as of today in terms of volume of resources mobilized, focuses on filling the gaps identified by PAHO and MoH in terms of lab supplies, equipment and health personnel ensuring that these gaps are filled. Finally, operationally, the IDB and World Bank procurement units are working closely to find and consolidate providers for the WHO supply list ([OEL#4](#)) and for COVID-19 actions which are available for all countries.<sup>35</sup>
- 2.16 **Strategic alignment.** The intervention is consistent with the Second Update to the Institutional Strategy 2010-2020 (document AB-3190-2), and is aligned with the Social Inclusion and Equality development challenges as the proposed interventions will strengthen the provision of health services to patients with suspected and diagnosed COVID-19, as well as guaranteeing the provision of other essential health services for patients with chronic conditions. In addition, it will contribute to the Corporate Results Framework 2020-2023 (document GN-2727-12) through the indicators of beneficiaries receiving health services. The intervention is also aligned with the crosscutting areas of: Gender Equality and Diversity, by developing social marketing campaigns; updating and disseminating protocols to care for GBV in health facilities. Furthermore, it is consistent with the Health and Nutrition Sector Framework Document (document GN-2735-7) by: (i) strengthening communication and information actions to foster behavioral change; and (ii) strengthening service delivery. Likewise, the project is aligned with the Diversity Action Plan 2020-2021 (GN-3001) by including actions such as the implementation of communication campaigns to contain the transmission of the disease that consider the specific needs of diverse populations.
- 2.17 This intervention is consistent with the Proposal for the IDB Group's Governance Response to the COVID-19 Pandemic Outbreak (document GN-2996). The operation is also aligned with the Belize Health Sector Strategic Plan 2014-2024 priority: to organize the health system to increase accessibility to health services in an equitable manner, and with both Belize's National COVID-19 Response Plan, and the COVID-19 Surveillance Guidelines.

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<sup>34</sup> Belize Press Office. GoB to Procure COVID-19 Test Kits from Cayman Islands. April 14, 2020. See: <https://www.pressoffice.gov.bz/government-of-belize-to-procure-covid-19-test-kits-from-cayman-islands/>; Belize Press Office. Cuban Medical Professionals Help Belize Fight COVID-19. March 25, 2020. See: <https://www.pressoffice.gov.bz/cuban-medical-professionals-help-belize-fight-covid-19/>; Belize Press Office. Taiwan Contributes BZ\$2 Million to Fight COVID-19 in Belize. See: <https://www.pressoffice.gov.bz/taiwan-contributes-bz2-million-to-fight-covid-19-in-belize/>.

<sup>35</sup> This is a no exhaustive list subject to frequent updates.

**B. Objectives and components of the immediate health response**

- 2.18 **Objectives.** The overall objective of the immediate health response is to contribute to the reduction of mortality and morbidity from COVID-19 and to mitigate the indirect impacts of the pandemic on health. There are three specific objectives: (i) improve detection and monitoring of cases; (ii) support efforts to interrupt the chain of transmission of the disease; and (iii) improve the capacity of provision of care.
- 2.19 **Component 1: Detection and monitoring of cases (US\$625,103).** This component will finance supporting actions to speed up timely case detection and monitoring.
- 2.20 **Subcomponent 1.1: Surveillance, rapid-response teams, and case investigation (US\$12,833).** This subcomponent will finance the design, production and printing of training materials for health personnel involved in contact tracing and follow-up.
- 2.21 **Subcomponent 1.2. Laboratory network (US\$612,270).** This subcomponent will finance COVID-19 diagnostic kits as well as the necessary supplies such as vials, enzymes, and tubes and equipment including an extraction machine.
- 2.22 **Component 2: Interruption of the disease transmission chain (US\$182,000).** This component will finance support for interventions to contain the transmission, including communicating with the public, encouraging social distancing, and controlling points of entry.
- 2.23 **Subcomponent 2.1: Communication with the public (US\$30,000).** This subcomponent will finance messages of the current risk communication campaign using different media (print, digital, radio/television) to communicate with the public about actions being implemented in the country, locations to obtain health care, prevention and treatment measures, etc. focused on vulnerable populations and migrant communities.
- 2.24 **Subcomponent 2.2: Protocols (US\$17,000).** This subcomponent will finance preparing and distributing health care clinical guidelines to health professionals in contact with COVID-19 triage and treatment through the design and production of audiovisual material to be distributed to health personnel at hospitals and isolation centers.
- 2.25 **Subcomponent 2.3: Points of entry (US\$135,000).** This subcomponent will finance the design and construction of three small permanent structures for screening and holding areas at three points of entry.<sup>36</sup>
- 2.26 **Component 3: Improvement of the capacity for service delivery (US\$5,360,666).** This component will support building capacity for case management and ensuring the continuity of essential care for the entire population during the emergency.

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<sup>36</sup> The permanent structures will be built at the Northern and Western borders points, and at the International Airport in Belize City. The structures are expected to be erected within the compounds of the points of entry and using the same services network.

- 2.27 **Subcomponent 3.1: Delivery of health care for COVID-19 patients (US\$5,089,666).** This subcomponent will finance: (i) the procurement of PPEs for health care personnel in the community, points of entry, flu clinics, isolation centers and critical care facilities; (ii) critical medical equipment including patient monitors, ventilators, laryngoscopes, EKG machines, infusion pumps, portable ultrasounds and X-Ray machines; (iii) additional temporal health personnel, such as nurses, medical officers, lab technicians and ancillary health personnel for three months; and (iv) temporary structures to function as triage centers, surveillance systems (video and monitor) at isolation centers, and tablets or mobile phones to strengthen the monitoring of critical supplies at the health facilities.<sup>37</sup>
- 2.28 **Subcomponent 3.2: Continuity of essential care (US\$35,000).** This subcomponent will contribute to ensuring the continuity of essential health services during COVID-19 to vulnerable population such as: GBV survivors, patients with chronic conditions, and women in reproductive age. It will finance: (i) updating GBV treatment protocols for health personnel and training; and (ii) developing tools and/or materials for improving communication between patients and providers for care management strategies for SRH and NCDs services.<sup>38</sup>
- 2.29 **Subcomponent 3.3: Waste management, and operation of basic sanitation services. (US\$236,000).** This subcomponent will finance the purchase of two waste treatment units for regional hospitals (waste-treatment autoclaves),<sup>39</sup> the construction site for the systems, trolleys to transport medical waste, and the update of a health-care waste management plan.
- 2.30 **Administration, implementation of the environment and social management plan (ESMP) and final evaluation costs (US\$32,500).** This subcomponent will finance the following activities: the implementation of the activities included in the ESMP, the final audit and an external evaluation of the immediate health response.
- 2.31 **Beneficiaries.** These interventions will benefit the population in general through prevention actions that will be communicated to the public. It will also benefit people suspected of having COVID-19 and those who were diagnosed and need specialized care.

## C. Key result indicators

- 2.32 **Expected outcomes.** The general objective of the immediate health response is to contribute to the reduction of mortality and morbidity from COVID-19 and to mitigate the indirect impacts of the pandemic on health. The main outcomes will be the number of laboratories with diagnostic capacity for COVID-19, percentage of points of entry with epidemiological surveillance based on national standards, Social Marketing Campaign started, percentage of acute health facilities with triage capacity for COVID-19, percentage of COVID-19 with isolation and surveillance

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<sup>37</sup> This complements the implementation of a supply chain management digital solution (Commcare) to be financed by a BID Lab project.

<sup>38</sup> This may include financing a pilot of the ECHO Model a proven model for tele-mentoring that connects front-line providers to specialists. The Bank has supported the scale-up of ECHO for COVID-19 in Uruguay and for Chronic Care in Jamaica.

<sup>39</sup> Autoclaves are low-heat thermal processes that produce significantly less air pollution emissions than high-heat thermal processes (e.g. incinerators), and the operational cost is lower than other alternatives.

capacity, and percentage of hospitalized confirmed cases receiving treatment with supportive care according to the country protocols. As part of the reformulation, there are going to be two separate Results Matrix. The specific values of the outcome indicators, as well as, the outputs indicators for the health response can be found at [Annex II](#). The result matrix for the Tourism Program can be found at [Annex IV](#).

- 2.33 **Economic viability.** For the immediate health response a cost-benefit analysis was prepared for the measures recommended under WHO guidelines. The analysis took into account the impact of these interventions to reduce COVID-19 mortality and morbidity rates under a treatment scenario with implementation of a package of measures, versus a counterfactual scenario in the absence of countermeasures. Scenarios were simulated using a basic SIR model (Susceptible - Infectious - Recovered), with evidence-based conservative parameters and assumptions available in published articles on COVID-19 or similar epidemics. The costs associated with interventions are those estimated by WHO in its COVID-19 SPRP. The Cost Benefit Analysis measures the costs of the implementation of measures vs the loss of productivity due to deaths and illness. The model assumes that the measures applied will lead to a decrease of the reproduction number of the virus by 50%, a susceptible population of 500 thousand people, and a discount rate of 5% to assure that the benefits are achievable<sup>40</sup>. For the specific context of Belize, the parameters used correspond to the monthly minimum wage set at US\$380,<sup>41</sup> an employment rate of 63% (2019), and a 0.03 ratio of ICU beds per 1,000 people. Under the base case scenario for treatment, and considering the overall economic situation in Belize, the cost-benefit analysis showed a Benefit:cost ratio of 3.09 and a positive Net Present Value reaching US\$53.4 million, suggesting that the proposed series of interventions are economically beneficial. Based on the analysis, the earlier the reproduction number is reduced, the higher the benefit:cost ratio—both because the costs of containing the outbreak are higher over time and because the benefits in terms of lives and worktime saved are lower.

#### D. Costs

- 2.34 The operation remains a specific investment loan. A total amount of US\$6.2 million will be reoriented for financing the immediate health response. It is estimated that the resources for the immediate health response will be disbursed in 24 months. Table 2.1 presents the costs for the Tourism Program and the immediate health response per component, and Table 2.2 presents the projected disbursements per year for the immediate health response<sup>42</sup>. The disbursements are concentrated in the first year because this is an emergency response intervention.

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<sup>40</sup> The National Institute for Health and Clinical Excellence (NICE) Appraisal Methods Guidance reference case currently recommends a discount rate of 3.5% for both costs and benefits (McIntosh et al. 2010) and Drummond et al. (2015) state that the best approach would be to conduct the analysis using rates existing in the literature, typically 3–5% per annum. We choose a conservative 5% discount rate.

<sup>41</sup> The model adjusts the 13-months estimate of US\$380 (World Bank, 2020) to a value of US\$352.6, which corresponds to a monthly minimum wage based on a 12-month calculation.

<sup>42</sup> Some activities are planned to be completed in the second year of implementation. These are small constructions works, and waste management activities.

**Table 2.1. Estimated project costs (US\$ thousands)**

Components	Tourism Amount US\$	Health Amount US\$	Total
<b>Tourism</b>			
1. Enhancement of the Tourism product	5,038		5,038
2. Promoting disaster and climate resilient tourist destinations and environmental sustainability	798		798
3. Institutional strengthening and capacity building	1,868		1,868
4. Project management	1,096		1,096
<b>Subtotal Tourism</b>	<b>8,799</b>		<b>8,799</b>
<b>Immediate Health response</b>			
<b>1. Case detection and monitoring</b>		<b>625</b>	<b>625</b>
1.1: Surveillance, rapid-response teams, and case investigation		13	13
1.2 Laboratory network		612	612
<b>2. Interruption of the chain of transmission</b>		<b>182</b>	<b>182</b>
2.1: Communication with the public		30	30
2.2: Protocols		17	17
2.3 Points of entry		135	135
<b>3. Improvement of the capacity for service delivery</b>		<b>5,361</b>	<b>5,361</b>
3.1 Delivery of health care for COVID 19 patients		5090	5,090
3.2. Continuity of essential care		35	35
3.3. Waste management, and operation of basic sanitation services		236	236
<b>4. Administration and other contingencies</b>		<b>32</b>	<b>32</b>
<b>Subtotal for immediate health response</b>		<b>6,200</b>	<b>6,200</b>
<b>Total</b>	<b>8,800</b>	<b>6,200</b>	<b>15,000</b>

**Table 2.2 - Disbursement Projections (US\$ thousands)**

	Year 1	Year 2	Total
IDB	5,500	700	6,200
%	89%	11%	100%

**E. Environmental and social risks**

- 2.35 The Sustainable Tourism Program BL-L1020 continues to have a category “B”. Tourism activities will continue to be the responsibility of the Ministry of Tourism and follow the specific measures included the Environmental and Social Management plan<sup>43</sup>. It will be necessary to communicate with stakeholders because one of the expected infrastructures (Corozal cultural plaza) for the program will no longer be financed. The communication plan will be included in the ESMP and will ensure that stakeholders consulted are informed on the changes to the program.
- 2.36 This program is being reformulated to include three components under the Immediate Health Response program to contain and control Coronavirus and mitigate its impact on service delivery. These components will be executed by the Ministry of Health. The activities to be funded under these components will include already installed 6 prefabricated houses to assist COVID-19 patients and the safe

<sup>43</sup> See draft ESMP ([OEL#8](#))

disposal of the related medical waste. It is anticipated that these new activities will have minor socio-environmental impacts. Therefore, no consultation or socio-environmental assessment is required. The implementation of an ESMP will be required to ensure that health activities and services that may produce medical and infectious waste are adequately managed and that effective systems are in place to do so. In order to address the risks related to natural disasters, the ESMP includes a Disaster Management Plan. The environmental and social risk indicator (ESRR) is considered to be moderate as the ‘Programs’ activities, equipment, and services may have low to moderate environmental and social risks.

**F. Fiduciary risks**

2.37 Fiduciary risks in financial and procurement management of the immediate health response activities are considered medium-low ([Annex III](#)). The risk assessment took into account the Bank’s experience collaborating with the PMU within MoH for the last eight (8) consecutive years in their execution of several investment grants and technical cooperations well as the state of public financial management (PFM) in Belize. Table 2.3 summarizes the key fiduciary risks and the mitigating actions:

**Table 2.3 Fiduciary Risks and Mitigation Actions**

Fiduciary Risk	Mitigation Action
Possible delays in procurement due to disruption and high demand of the global, regional and national supply chain for key goods or items.	i) aggregate demand (i.e. COMISCA); ii) use simplified procurement methods like: direct contracting for goods included in WHO list (PPE, ventilators, digital thermometers) or shopping; and iii) identify new suppliers.
Possible errors in financial reporting due to lack of an internal audit system and a weak national external audit system.	An independent external auditor will be hired to audit the financial statements of the health response. These financial statements will be presented in accordance with the policies and procedures established by the Bank.

**G. Other key risks and issues**

2.38 **Development risks.** Three development risks were identified and classified as high for the health response activities. The first involves the interruption of the global supply chain of key items needed to respond to the pandemic—including personal protective equipment (PPE) for health care providers, such as surgical gloves, face masks and respirators, ventilators, and diagnostic kits. High worldwide demand has created shortages and price increases for these products, which could impact the timing and costs of supplies to be procured under the program. The second risk is associated with border closings and disruption of global air transportation, which could also impact delivery times and costs of supplies for the country.

2.39 To mitigate these risks, coordination with public procurement agencies from LAC (through the Inter-American Government Procurement Network managed by the OAS) is under way to evaluate available supply and demand, as well as current framework agreements, in order to analyze the potential for aggregated, faster purchases via virtual platforms. With support from international organizations such as PAHO, and the World Bank, work is also under way to identify available suppliers, with a special focus on domestic suppliers and/or those located in LAC. This is intended to match available supply with the region’s demand for goods and

services and to seek a fast agreement mechanism. Lastly, access is being requested to the Global Pandemic Supply Chain Network for the World Economic Forum, through its COVID Action Platform. The threshold to be taken into consideration for direct contracting was raised to accelerate processes.

- 2.40 The third risk for the health response is tied to the potential shortage of health care providers due to the large number of patients needing medical care and the disproportionate manner in which the disease affects front-line staff at hospitals. To mitigate this risk, the GoB is ensuring the reassignment of critical staff towards the designated COVID-19 facilities, and started incorporating temporal health workers to guarantee all health services are covered. The resources under the reorientation of funds will finance the hiring of temporary health personnel.
- 2.41 **Sustainability.** The interventions financed under the health response components follow WHO recommendations for the containment, management, and treatment of epidemics/pandemics due to infectious diseases such as COVID-19. This program will strengthen country capacities for the detection, treatment, and control of these diseases in the medium term. It will also improve the preparedness of the health sector to confront future outbreaks, epidemics, and pandemics, including organizational capacity and knowledge, and staff experience to face future outbreaks. In addition, containing and overcoming health challenges is considered a prerequisite for sustainable economic and social recovery in the medium and long terms. Moreover, differentiated approaches will enable the efficient identification of demand and needs for service supply for the most vulnerable population groups.

## H. Summary of implementation arrangements

- 2.42 **Borrower and executing agency.** It is proposed that the MoH, through its Policy, Planning and Project Management Unit (PPPMU) implements the immediate health response activities. The PPPMU will include a full-time project coordinator, financial specialist, procurement specialist, and a health planner. MoH has designated an assistant engineer to oversee construction works and an environment and social specialist to implement and oversee the activities of the ESMP.
- 2.43 **Execution and administration.** The responsibilities of the PPPMU implementing the immediate health response include: (i) Annual Operating Plan (AOP) preparation and implementation; (ii) financial administration, accounting, and preparation of budgets and disbursement requests; (iii) annual procurement plan preparation and procurement of works, goods and services; (iv) preparation of technical reports and financial statements; (v) monitoring progress of all activities, and follow up on environmental and social safeguards compliance; (vi) selection and hiring of the external audit firm and implementation of recommendations (there will be a separate audit for the health response); (vii) hiring of consultants to conduct external evaluations; and (viii) serving as liaison to the Bank. For monitoring and reporting purposes, the Bank project team will be responsible for the consolidation of reporting documentation submitted by each executing agency.
- 2.44 **Interagency coordination.** A Project Steering Committee (PSC) will be established to provide policy and strategic direction for the execution of the immediate health response. The PSC will comprise representatives of the MoH, the Ministry of Economic Development and Ministry of Finance. The overall objective

of the PSC is to monitor the implementation according to the execution plan and provide direction to the PPPMU when reports may signal extraordinary challenges for its implementation. The PSC will also assess any significant changes to the execution plan and any major risks that threaten the completion of activities to ensure adequate mitigative actions are carried-out and delivers its expected results.

- 2.45 **Special contractual conditions precedent to the disbursement of the loan proceeds for the immediate health response are:**(i) the appointment of a project coordinator, financial specialist and procurement specialist within the PPPMU; (ii) the approval of an Operations Manual for the immediate health response<sup>44</sup>; and (iii) establishment of the Project Steering Committee. The first two conditions will ensure the PPPMU in the MoH has in place the necessary planning, organizational, and control capabilities for implementation of the health response activities. The last condition ensures a coordinated efficient and transparent implementation among the agencies involved in the COVID-19 health response.
- 2.46 **Procurement.** The procurement of the activities of the Tourism components will be executed in accordance with the provisions of the Loan Contract. Procurement financed in whole or in part with proceeds from the Bank loan for the immediate health response will be undertaken in accordance with the Policies for the Procurement of Works and Goods Financed by the IDB (document GN-2349-15) and the Policies for the Selection and Contracting of Consultants Financed by the IDB (document GN-2350-15), or those in effect at the time of execution. The procurement plan for the immediate health response ([REL#3](#)) includes details of the planned procurement processes. Special and temporary measures may be applied, as appropriate, to the Procurement Policies, as approved by the Board and provided for in document GN-2996, paragraph 4.2 and Resolution DE-28/20, indicated in Annex III.
- 2.47 **Disbursements.** It is proposed that disbursements will be made through a separate advance of funds for the immediate health response components, based on liquidity needs for these activities so that the justification of expenses will be separate. Supporting justification for advances will be provided pursuant to the provisions of the Financial Management Guidelines for IDB -financed Projects and the Loan Contract or Amendatory Contract. As provided in the Loan Contract the advances will be determined based on payment needs, following the provisions of the Financial Management Guidelines for IDB -financed Projects (document OP-27312) and the Fiduciary Arrangements and Requirements- ([Annex III](#)).
- 2.48 **Reimbursement.** For the immediate health response the use of the expense reimbursement method is anticipated for the purposes of the first disbursement request, once the Amendatory Contract has entered into force and the disbursement of the redirected resources declared eligible. Expenses incurred as of January 30, 2020 may be reimbursed to the Borrower/ EA against the redirected resources of Bank financing, provided that such expenses have been incurred following contracting procedures that are in accordance with the basic procurement principles of the Bank. The activities or type of expenses considered until now for expense reimbursement are presented in the procurement plan ([REL#3](#)). These

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<sup>44</sup> See draft Operational Manual ([OEL#7](#)).

include but are not limited to prefabricated houses, testing kits and supplies, personal protective equipment (PPEs), and hiring temporal health personnel<sup>45</sup>.

- 2.49 **Audit.** Audit for the Tourism components will be done in accordance with the provisions of the Loan Contract. For for the immediate health components, the MoH will submit to the Bank annual audited financial statements within 120 days after the close of the fiscal year throughout the loan disbursement period. The audit will be conducted by a Bank- eligible independent audit firm. The audit's scope and related considerations will be governed by the Financial Management Guidelines (document OP-273-12) and the Guide for Financial Reports and Management of External Audit. Audit costs will be financed with project resources.

### I. Summary of arrangements for monitoring results

- 2.50 **Monitoring.** The monitoring arrangements for the Tourism components remain the same. For the immediate health response, a separate monitoring and evaluation plan was prepared ([REL#1](#)). The MoH will be responsible for implementing it. In light of the COVID-19 crisis, the main monitoring tools for the immediate health response activities will be the results matrix and the procurement plan. The main sources for monitoring impact, outcome, and output indicators will be the service delivery records from the health system and the epidemiological data for local, regional, and national monitoring. The PPPMU within MoH will prepare multiyear and annual execution plans once the emergency situation has stabilized. The main reporting tool will be the progress monitoring report (PMR), which will use the immediate health response annual and semiannual reports as its main sources of information.
- 2.51 **Evaluation.** The evaluation arrangements for the Tourism components remain the same. Given the nature of this intervention, the evaluation of the immediate health response will assess its contribution to the specific objectives: (i) improve detection and monitoring of cases; (ii) support efforts to interrupt the chain of transmission of the disease; and (iii) improve the capacity of provision of care, using the information on outcome indicators outlined in ¶2.32. To that end, a “before and after” analysis will be conducted using information from available time series on the results indicators. For the purpose of attributing the observed results to the intervention, the quantitative analysis will be supplemented with a qualitative analysis, and a review of the theory of change supported by relevant evidence of the effectiveness of similar interventions in comparable contexts.

### III. RECOMMENDATION

- 3.1 Based on the information and analysis presented in this document, it is recommended that the Board of Executive Directors of the Inter-American Development Bank approves by Short Procedure, as established in paragraph 6 of document CS-3953-4 (List of matters to be considered by the Board via Short Procedure), the reformulation proposal, in the terms and conditions described in this document.

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<sup>45</sup> The indicative amount that will be reimbursed for expenses between Jan 30, 2020 and the first request for disbursements for the immediate health response is US\$2 million.

Development Effectiveness Matrix		
Summary		BL-L1020
<b>I. Corporate and Country Priorities</b>		
<b>1. IDB Group Strategic Priorities and CRF Indicators</b>		
Development Challenges & Cross-cutting Themes	-Social Inclusion and Equality -Gender Equality and Diversity	
CRF Level 2 Indicators: IDB Group Contributions to Development Results		
<b>2. Country Development Objectives</b>		
Country Strategy Results Matrix		
Country Program Results Matrix		The intervention is not included in the 2020 Operational Program.
Relevance of this project to country development challenges (if not aligned to country strategy or country program)		The project is aligned with Belize's Health Sector Strategic Plan (2014-2024), its National COVID-19 Response Plan and its COVID-19 Surveillance Guidelines. Please refer to paragraph 1.26 of POD for further details.
<b>II. Development Outcomes - Evaluability</b>		Evaluable
<b>3. Evidence-based Assessment &amp; Solution</b>		9.6
3.1 Program Diagnosis		3.0
3.2 Proposed Interventions or Solutions		3.6
3.3 Results Matrix Quality		3.0
<b>4. Ex ante Economic Analysis</b>		9.0
4.1 Program has an ERR/NPV, or key outcomes identified for CEA		3.0
4.2 Identified and Quantified Benefits and Costs		3.0
4.3 Reasonable Assumptions		1.0
4.4 Sensitivity Analysis		2.0
4.5 Consistency with results matrix		0.0
<b>5. Monitoring and Evaluation</b>		7.7
5.1 Monitoring Mechanisms		1.8
5.2 Evaluation Plan		6.0
<b>III. Risks &amp; Mitigation Monitoring Matrix</b>		
Overall risks rate = magnitude of risks*likelihood	Specify risk rate on risk tab	
Identified risks have been rated for magnitude and likelihood		
Mitigation measures have been identified for major risks		
Mitigation measures have indicators for tracking their implementation		
Environmental & social risk classification	C	
<b>IV. IDB's Role - Additionality</b>		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury.
Non-Fiduciary	Yes	Monitoring and Evaluation National System, Statistics National System.
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	

Note: (\*) Indicates contribution to the corresponding CRF's Country Development Results Indicator.

*The proposed reformulation involves reorienting US\$6.2 million from the operation BL-L1020 (Sustainable Tourism Program II), 41% of the Program's original Budget, to support Belize's health sector as part of the Bank's operational response to the COVID-19 Pandemic.*

*The general objective of the immediate health response is to contribute to the reduction of mortality and morbidity from COVID-19 and to mitigate the indirect impacts of the pandemic on health. The specific objectives are: (i) improve detection and monitoring of cases; (ii) support efforts to interrupt the chain of transmission of the disease; and (iii) improve the capacity of provision of care.*

*The proposal presents a solid diagnosis of the problem, as well as a review of international evidence. The proposed solutions are an appropriate response to the problems identified in the proposal and its contributing factors. The results matrix is consistent with the vertical logic of the project, presenting adequate indicators at the level of outcomes and impacts. The outcome indicators are appropriately defined to measure the achievements of the project's specific objectives. The impact indicators reflect the contribution to the general objectives of the operation.*

*The economic evaluation shows that the operation is efficient, with a benefit/cost ratio of 3.09. In a context of high uncertainty, the analysis considers the benefits in employment and labor income derived from the reduction of mortality and morbidity rates due to COVID-19, while the costs are those associated with the implementation of a proposed standard intervention package proposed by WHO.*

*The monitoring and evaluation plan proposes a reflective analysis of the outcome and impact indicators included in the result matrix, complemented by a review of the theory of change, an updated review of international evidence and qualitative studies. In addition, an ex-post cost-benefit analysis will be conducted. The monitoring and evaluation activities will be carried out by the executing agency in coordination with the Bank.*

*The original operation (Sustainable Tourism Program II) maintains its original general objective and its specific objectives. The result matrix has been adjusted to consider the reduction of resources and to improve the vertical logic of the project.*

**RESULTS MATRIX (IMMEDIATE HEALTH RESPONSE)****EXPECTED IMPACT**

Indicators	Unit of measure	Baseline	Baseline Year	End of Project	Means of verification	Observations
GENERAL OBJECTIVE: Contribute to the reduction of mortality and morbidity from COVID-19 and to mitigate the indirect impacts of the pandemic on health						
Number of Deaths from COVID-19)	Number	51	2019	45	Epi data /BHIS/ SIB	These figures are annual numbers. The EOP value represents the annual average over the project period. The baseline is the estimate without mitigation policies, PPE's, testing etc. and the goal at the end of the project is the reduction of that number due to the reduction of Ro due to the intervention.
Confirmed Cases of COVID-19		1,113	2019	1,001	Epi data/ BHIS/ SIB	

**EXPECTED OUTCOMES**

Indicators	Unit of measure	Baseline Value	Baseline Year	2020	2021	2022	End of Project	Means of verification	Observations
Objective 1. Improve detection and monitoring of cases									
Number of laboratories with diagnostic capacity for COVID-19	Number	0	2019	4	4	4	4	Lab Monthly reports/ MOH Bulletins	Includes Southern and Northern Region 4 of 9 will be designed for COVID-19, but 100% of regional labs are expected to have diagnostic capacity
Objective 2. Support efforts to interrupt the chain of transmission of the disease									
Social marketing campaign started	Number	0	2019	1	0	0	1	List of procurement of services for risk communication	This refers to vulnerable populations.
Points of entry with epidemiological surveillance as per country standards				3	0	0	3	Construction completion reports	These include border crossings (Mexico and Guatemala) and the international airport.
Objective 3. Improve the capacity for provision of care									
% of acute healthcare facilities with triage capacity for COVID-19	Percentage	0	2019	100	100	100	100	MOH Smart Checklist	Numerator # of healthcare facilities with triage capacity for COVID-19 Denominator Total # of healthcare facilities designated for COVID-19 (flu

Indicators	Unit of measure	Baseline Value	Baseline Year	2020	2021	2022	End of Project	Means of verification	Observations
									clinics, health centers, emergency rooms etc.)
% of COVID-19 centers with isolation and surveillance capacity	Percentage	0	2019	100	100	100	100	National COVID-19 Response Plan / BHIS / Commcare	
% of hospitalized confirmed cases receiving treatment with supportive care according to country protocol				80	100	100	100%	BHIS	Confirmed cases of COVID-19

**OUTPUTS**

Outputs	Unit of measure	Baseline Value	Baseline Year	2020	2021	2022	End of project	Means of verification	Observations <sup>2</sup>
Component 1. Detection and monitoring of cases									
Number of rapid response teams trained and equipped for active search and case detection operating in the field	Number	0	2019	8	4	0	12	Attendance lists of training Case detection report /form	Workers trained for contact tracing in high risk community
Number of laboratories that received equipment and inputs for diagnostic		1		4	0	0	4	MOH Report or BHIS	Laboratories selected for COVID-19 testing Inputs include materials related to detection
Number of COVID-19 diagnostic tests conducted		0		6,833	6,833	6,833	20,500	MOH Report of BHIS	EOP value is equivalent to 5% of the population (410,000)
Component 2. Interruption of the disease transmission chain									
Social Marketing Campaign designed	Number	0	2019	1	0	0	1	Social Marketing materials	For vulnerable population

Outputs	Unit of measure	Baseline Value	Baseline Year	2020	2021	2022	End of project	Means of verification	Observations <sup>2</sup>
Number of points of entry with adequate capacity for detection and isolation				3	0	0	3	MOH Report Infrastructure completion report	
Number of health workers trained in use of PPE.	Number	0	2019	320	50	0	370	Training sign in sheet	
Component 3. Improvement of the capacity for service delivery									
Number of COVID-19 isolation centers with PPE for health workers	Number	0	2019	7	3	0	10	BHIS/ Commcare	
Number of COVID-19 centers prepared to treat COVID-19 patients				5	3	0	8	Checklist	PPEs, medical equipment and surveillance cameras.
Number of COVID-19 centers with improved isolation capacity				5	3	0	8	MOH Report Infrastructure completion report	Includes minor infrastructure works
Number of COVID-19 health facilities with safe medical waste solutions				2	0	0	2	Report on supply and installation of equipment Completion report of the retrofitting for housing equipment	Northern and Western. Will also service the community hospitals and private facilities within the district.
Protocol for gender violence care in health facilities, updated under COVID-19 context				1	0	0	1	Updated gender violence protocol	

**Country:** Belize      **Sector:** Health      **Project Number:** BL-L1020 (3566/OC-BL)      **Year:** 2020  
**Co-financing:** Not applicable      **Co-execution:** Ministry of Tourism

### Fiduciary Agreements and Requirements

**Executing Agency:** Ministry of Health

**Project Name:** Amendment to the Tourism Development Program for financing the Immediate Public Health Response to Contain and Control the Coronavirus and Mitigate its Impact on Service Delivery

#### **I. Executing Agency Fiduciary Context**

##### 1. Use of Country System in the Project<sup>1</sup>

Budget	<input checked="" type="checkbox"/>	Reporting	<input type="checkbox"/>	Information System	<input type="checkbox"/>	National Competitive Bidding (NCB)	<input type="checkbox"/>
Treasury	<input checked="" type="checkbox"/>	Internal Audit	<input type="checkbox"/>	Price Comparison	<input type="checkbox"/>	Advanced NCB	<input type="checkbox"/>
Accounting	<input type="checkbox"/>	External Control	<input type="checkbox"/>	Individual Consultancy	<input type="checkbox"/>	Consultancy Firm	<input type="checkbox"/>

##### Applicable National Laws:

The Constitution of Belize is based on the Westminster parliamentary model and was last updated March 2017. It defines the legislature as the National Assembly with authority to approve laws, including the national budget. Additionally, it defines the mandate of the Auditor General to hold the government accountable for its stewardship of public funds.

The five laws and regulations that provide guidelines for PFM are: (i) Finance and Audit (Reform) Act of 2005, last amended in 2011; (ii) Financial Orders; (iii) Stores Orders; (iv) Control of Public Expenditure Handbook; and (v) Fiscal Transparency and Responsibility Regulation, 2010.

##### 2. Executing Agency Fiduciary Capacity

Taking into account the Bank's experience working with the MOH(EA) and the Policy, Planning, and Project Management Unit (PPPMU), that will act as Project Executing Unit (PEU), in the execution of Bank-financed projects, as well of its knowledge of the national fiduciary systems, fiduciary risks in financial and procurement management are considered medium / low. The EA and PEU have been working with the Bank in executing investment grants and TCs since 2011 when the first phase of the Salud Mesoamerica 2015 Initiative was approved. The EA and PEU are currently executing one (1) TC and two (2) investment grants. The project will capitalize on fiduciary capacity developed over the last nine (9) consecutive years executing Bank financed projects.

##### 3. Fiduciary Risk and Mitigation Actions

**Fiduciary Risk:**      High ;      Medium  ;      Low

<sup>1</sup> Any system or subsystem that is subsequently approved could be applicable to the operation, in accordance with the terms of the validation conducted by the Bank.

Risk	Mitigation Plan
Possible delays in procurement due to disruption and high demand of the global, regional and national supply chain for key goods or items.	i) aggregate demand (i.e. COMISCA). ii) use simplified procurement methods like direct contracting for goods included in WHO list (PPE, ventilators, digital thermometers) or shopping. iii) identify new suppliers.
Possible errors in financial reporting due to lack of an internal audit system and a weak national external audit system.	i) Appoint a financial specialist with solid experience working on Bank-financed projects. ii) Hire an independent external auditor to audit the financial statements of the project.

## II. Aspects to be considered in the Special Conditions of the Contract

<b>Conditions Prior to First Disbursement:</b> i) appointment of the financial specialist
<b>Exchange rate for justification of expenses</b> as provided in the Loan Agreement
<b>Audit:</b> Throughout the loan disbursement period, the EA will submit to the Bank annual audited financial statements within 120 days after the close of the fiscal year, March 31 <sup>st</sup> . The audit will be conducted by a Bank-eligible independent audit firm. The audit's scope and related considerations will be governed by the Financial Management Guidelines (document OP-27312) and the Guide for Financial Reports and Management of External Audit. Audit costs will be financed with project resources.
<b>Reimbursement:</b> The use of the expense reimbursement method is anticipated for the purposes of the first disbursement request, once the Amending Contract has entered into force and the disbursement of the redirected resources declared eligible. Expenses incurred as of January 30, 2020 may be reimbursed to the Borrower / EA against the redirected resources of Bank financing, provided that such expenses have been incurred following contracting procedures that are in accordance with the basic procurement principles of the Bank. The activities or type of expenses considered until now for expense reimbursement include but are not limited to prefabricated houses, testing kits and supplies, personal protective equipment (PPEs), and hiring temporal health personnel.

## III. Agreements and Requirements for Procurement Execution

### Exception to the Policies and Guides:

<p>No exceptions are provided to the Bank's policies. Special and temporary measures may apply, as appropriate, to Procurement Policies approved by the Executive Board and provided for in document GN-2996, paragraph 4.2 and Resolution DE-28/20, paragraph 2, as follows:</p> <ol style="list-style-type: none"> <li>1. That goods from countries that are not members of the Bank may be eligible for procurement, and that suppliers, contractors, consultants or service providers originating in countries that are not members of the Bank may participate in procurement processes.</li> <li>2. That the procurement policies of the Procurement Agencies and specialized agencies may be used when they are contracted as such by the Borrower or, where appropriate, by the Executing Agency, as the case may be.</li> <li>3. That internationally consolidated procurement, as well as procurement through accession to existing Contracts of the Borrower, may be used as procurement methods in addition to those described in the Procurement Policies</li> </ol>
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<b>Retroactive Financing and/or Advanced Procurement<sup>2</sup></b>	<ul style="list-style-type: none"> <li>• Not applicable</li> </ul>
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<sup>2</sup> In accordance with the retroactive financing policy, expense recognition and early procurement GN-2259-1, or the equivalent policy that was in effect at the time of the operation.

<b>[Expenses incurred prior to the term of the Modified Agreement]</b>	<ul style="list-style-type: none"> <li>The use of the expense reimbursement method is anticipated for the purposes of the first disbursement request, once the Amending Contract has entered into force and the disbursement of the redirected resources declared eligible. Expenses incurred as of January 30, 2020 may be reimbursed to the Borrower/ EA against the redirected resources of Bank financing, provided that such expenses have been incurred following contracting procedures that are in accordance with the basic procurement principles of the Bank.</li> </ul>
<b>Procurement Complementary Support</b>	<ul style="list-style-type: none"> <li>Yes, if necessary</li> </ul>
<b>Projects with Financial Intermediaries</b>	<ul style="list-style-type: none"> <li>Not applicable</li> </ul>
<b>Procurement Agents</b>	<ul style="list-style-type: none"> <li>Yes, If necessary.</li> </ul>
<b>Direct Contracting</b>	<p>The following direct contracting are authorized:</p> <ol style="list-style-type: none"> <li>1. Personal Protective Equipment (Disposable gloves, nitrile gloves, goggles, face masks, face shields, N95 mask, gowns, shoe covers, coveralls, head covers, among other items) up to US\$2,583,309.00, justified as an emergency – COVID-19- under policy GN-2349-15, par 3.7 (e)</li> <li>2. Medical Equipment (Ventilators, monitors, infusion pumps, EKG machines, pulse oximeters, defibrillators, suction machines, blood gas analyzer, autoclaves, among other equipment) up to US\$1,569,963.00, justified as an emergency – COVID-19 - under policy GN-2349-15, par 3.7 (e)</li> </ol>

<b>Operational Expenses:</b> <input type="checkbox"/> N/A	<b>National Preference:</b> <input type="checkbox"/> N/A
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<b>General Procurement Supervision Method of the Project: Ex ante</b>	
<b>Supervision Method: Ex ante</b>	<b>For: ICB QCBS</b>
<b>Supervision Method: Ex ante</b>	<b>For: Direct Contracting and direct selection</b>
<b>Supervision Method: Ex post</b>	<b>For: NCB, Shopping, individual consultants</b>

**Thresholds by Country:** [www.iadb.org/procurement](http://www.iadb.org/procurement)

#### **IV. Agreements and Requirements for Financial Management**

<b>Programming and Budget</b>	<ul style="list-style-type: none"> <li>The budget preparation process begins each year with the budget call whereby the MOF distributes a circular outlining the timeline and required forms to be completed by each ministry, department and agency. The Borrower has committed to allocate, for each fiscal year of project execution, adequate fiscal space to guarantee the execution of the project based on information contained in the corresponding annual operating plan.</li> </ul>
<b>Treasury and Disbursement Management</b>	<ul style="list-style-type: none"> <li>In accordance with the norms of Government of Belize, a designated bank account within the Central Bank of Belize will be utilized for the receipt of loan resources. For day-to-day operational expenses, the PEU will make payments from the Consolidated Revenue Fund account and on submission of a memo to the MOF, the funds are then reimbursed from the Central Bank Account to that account.</li> <li>As evidenced from the disbursing norms of loans and the anticipated commitments and obligations of the project, it is expected that the Advance of Funds methodology will be mainly used for the project. The Advance of Funds when used, will be based on the true liquidity needs of the project for a period not exceeding six months.</li> </ul>

	<p>Subsequent advances may be disbursed once 80% of the total accumulated balance pending justification has been submitted and accepted by the Bank.</p> <ul style="list-style-type: none"> <li>To request disbursements from the Bank, the following forms and supporting documents will be submitted:</li> </ul> <p style="text-align: center;"><b>Table 3. Type of Disbursements</b></p> <table border="1" data-bbox="428 369 1408 814"> <thead> <tr> <th data-bbox="428 369 654 453">Type of Disbursements</th> <th data-bbox="654 369 1071 453">Mandatory Forms</th> <th data-bbox="1071 369 1408 453">Optional Forms/ Information that may be requested by the IDB</th> </tr> </thead> <tbody> <tr> <td data-bbox="428 453 654 537">Advance of Funds</td> <td data-bbox="654 453 1071 537">Disbursement Request/ Financial Plan</td> <td data-bbox="1071 453 1408 537">List of commitments/ physical and/or financial progress reports</td> </tr> <tr> <td data-bbox="428 537 654 648">Reimbursements of payments made</td> <td data-bbox="654 537 1071 648">Disbursement Request/ Project Execution Status/ Statement of Expenses/ Reconciliation of Bank Resources</td> <td data-bbox="1071 537 1408 648">List of commitments/ physical and/or financial progress reports</td> </tr> <tr> <td data-bbox="428 648 654 814">Direct Payment to Supplier</td> <td data-bbox="654 648 1071 814">Disbursement Request/ Acceptable Supporting Documentation may include invoices and acceptance of completion of works and/or delivery of goods and services to satisfaction of Government of Belize</td> <td data-bbox="1071 648 1408 814">List of commitments physical/financial progress reports/evidence that goods/services have been satisfactorily received</td> </tr> </tbody> </table>	Type of Disbursements	Mandatory Forms	Optional Forms/ Information that may be requested by the IDB	Advance of Funds	Disbursement Request/ Financial Plan	List of commitments/ physical and/or financial progress reports	Reimbursements of payments made	Disbursement Request/ Project Execution Status/ Statement of Expenses/ Reconciliation of Bank Resources	List of commitments/ physical and/or financial progress reports	Direct Payment to Supplier	Disbursement Request/ Acceptable Supporting Documentation may include invoices and acceptance of completion of works and/or delivery of goods and services to satisfaction of Government of Belize	List of commitments physical/financial progress reports/evidence that goods/services have been satisfactorily received
Type of Disbursements	Mandatory Forms	Optional Forms/ Information that may be requested by the IDB											
Advance of Funds	Disbursement Request/ Financial Plan	List of commitments/ physical and/or financial progress reports											
Reimbursements of payments made	Disbursement Request/ Project Execution Status/ Statement of Expenses/ Reconciliation of Bank Resources	List of commitments/ physical and/or financial progress reports											
Direct Payment to Supplier	Disbursement Request/ Acceptable Supporting Documentation may include invoices and acceptance of completion of works and/or delivery of goods and services to satisfaction of Government of Belize	List of commitments physical/financial progress reports/evidence that goods/services have been satisfactorily received											
<b>Accounting, Information System and Report Generation</b>	<ul style="list-style-type: none"> <li>Accounting and reporting for MOF will be facilitated through SmartStream which is the Government's national financial management system, in accordance with cash-basis international public-sector accounting standards (cash-IPSAS).</li> <li>It is expected that the accounting and reporting system of the project will, on a cash basis: (i) facilitate the recording and classification of all financial transactions according to source of funding and categories of investment; and (ii) provide information related to, planned versus actual financial execution of the project, commitments made under the project, the financial plan for a six months period, financial statements, performance reports and any other reports that may be required from time to time by the MOF and/or the Bank.</li> </ul>												
<b>External Control</b>	<ul style="list-style-type: none"> <li>Given the capacity constraints of the Office of the Auditor General, an eligible private audit firm will be hired to conduct the annual and final financial statement audits of the project. The Borrower and the Executing Agency, as agreed with the Bank, will select and contract the services of an eligible auditor, in accordance with the agreed Terms of Reference.</li> </ul>												
<b>Financial Supervision of the Project</b>	<ul style="list-style-type: none"> <li>The financial supervision plan of the project will focus on: (i) activities related to the implementation and follow-up of arrangements and systems being implemented for the fiduciary management of the project; (ii) follow-up on the implementation status of risk mitigating measures; and (iii) capacity building of PEU personnel in the Bank's procedures and requirements. Disbursements will be reviewed on an ex-post basis.</li> </ul>												

## V. Information relevant to the operation

### Policies and Guides applicable to the operation

<b>Financial Management</b>	<b>Procurement</b>
<ul style="list-style-type: none"> <li><a href="#">GN-2811 [OP-273-12]</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">GN-2349-15 [ES] [POR] [FRE]</a></li> <li><a href="#">GN-2350-15 [ES] [POR] [FRE]</a></li> <li><a href="#">GN-2349-9 [ES] [POR] [FRE]</a></li> <li><a href="#">GN-2350-9 [ES] [POR] [FRE]</a></li> </ul>

### Records and Files

<i>As provided in the loan agreement</i>
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## RESULTS MATRIX (TOURISM)

Indicators	Unit of measure	Baseline	Baseline Year	End of Project	Means of verification	Observations	Changes to the original matrix
<b>GENERAL OBJECTIVE:</b> The program aims to increase the tourism sector's contribution, in terms of employment and income, to national sustainable and resilient socioeconomic development.							
<b>Impact 1:</b> Increase the number of jobs in the tourism sector.							<b>Original impact 1:</b> <i>Increase in total direct tourism employment in each destination.</i> <b>Justification of the change:</b> The wording was reviewed for more clarity.
<b>Indicator 1:</b> Total number of people directly employed in the tourism sector.	People	15,706	2014	18,000	<b>Source:</b> World Travel and Tourism Council (WTTC) database. <b>Means of verification:</b> WTTC database.	The projection considers the impact of COVID-19	<b>Original indicator 1:</b> <i>Total number of people directly employed in the tourism sector in destinations.</i> <b>Justification of the change:</b> The reformulated impact indicator captures the effect in all the tourist destination in Belize and not only the destinations considered in the program, which are considered under the reformulated result indicator 1. Baseline and goals were modified accordingly.
<b>Impact 2:</b> Increase the tourism sector valued added							<b>Original impact 2:</b> <i>Increase in the inclusiveness of the tourism sector</i> <b>Original indicator 2.1:</b> <i>Share of total tourism jobs held by LIP in Toledo.</i> <b>Original Indicator 2.2:</b> <i>Share of total tourism jobs held by women in Corozal and Toledo.</i> <b>Original indicator 2.3:</b> <i>Change in number of total tourism jobs held by indigenous people in Toledo</i> <b>Original impact 3:</b> <i>Increase in average household income of beneficiaries in Toledo.</i> <b>Original indicator 3.1:</b> <i>Average household income of beneficiaries in Toledo</i> <b>Original indicator 3.2:</b> <i>Average household income reaching LIP in Toledo</i> <b>Justification of the changes:</b> Theses impact indicators were originally designed to target Low Income People (LIP) working in the tourism sector in Toledo and Corozal
<b>Indicator 2:</b> Tourism sector total contribution to the GDP	%	30.4%	2014	33%	<b>Source:</b> World Travel and Tourism Council (WTTC) database. <b>Means of verification:</b> WTTC database.	The projection considers the impact of COVID-19	

Indicators	Unit of measure	Baseline	Baseline Year	End of Project	Means of verification	Observations	Changes to the original matrix
							Districts. COVID-19 economic impact has had a severe impact on the sector, affecting tourism employees and Small and Medium Enterprises (SME's) countrywide. Considering the COVID-19 context, the focus of the program activities to attend tourism employees and SME's has been extended to include other socio-economic groups and geographical areas of the country affected by the economic impacts of the pandemic. As a result of that the original impacts 2 and 3 and their indicators will be eliminated, so the whole impact of the support of the program to the sector will be captured by the new indicators 1 and 2.
<b>SPECIFIC OBJECTIVE 1: Enhancement of cultural and natural attractions to diversify tourism products</b>							
<b>Result 1:</b> Increase of the relative weight in tourism employment of the beneficiary destinations of the program						<b>Original Result 1:</b> <i>Increase in tourism's contribution to the economy</i>	
<b>Indicator 1.1.</b> Number of people employed directly in the tourism sector in the destinations beneficiaries * of the program over total number of people employed directly in the tourism sector in Belize * Destinations beneficiaries: Caye Caulker, Toledo and Corozal.	%	24%	2014	27%	<b>Source:</b> BTB 2014 Tourism Digest for employment in destinations and World Travel Council 2015 (WTC) for total employment.  <b>Means of verification:</b> WTC reports BTB Tourism Digest published annually; SIB Labor Force Surveys.	<b>Comment:</b> Estimate for Caye Caulker based on hotel inventory share. The destinations include Toledo, Corozal and Caye Caulker. Data correspond to insured employees.	<b>Original indicator 1.1:</b> <i>Increase in overnight foreign tourist expenditure in Belize</i> <b>Original indicator 1.2:</b> <i>Increase in overnight foreign tourist expenditure in Toledo District.</i> <b>Justification of the change:</b> The new result indicator is linked to the reformulated impact 1

Indicators	Unit of measure	Baseline	Baseline Year	End of Project	Means of verification	Observations	Changes to the original matrix
<b>Result 2:</b> Increase tourism GDP per capita							
<b>Indicator 2.1:</b> Tourism GDP/Total population of Belize	USD	1,430	2014	1,470	<b>Source:</b> World Travel and Tourism Council (WTTC) database for the Tourism GDP, World Bank for GDP, statistical institute of Belize for population.  <b>Means of verification:</b> WTTC database for the Tourism GDP, World Bank for GDP, statistical institute of Belize for population.	The projection considers the impact of COVID-19	This is a new indicator.

Indicators	Unit of measure	Baseline	Baseline Year	End of Project	Means of verification	Observations	Changes to the original matrix
<b>SPECIFIC OBJECTIVE 2: Promoting disaster and climate resilience and environmental sustainability in the tourism destinations</b>							
<b>Result 3: Incorporation of climate resilience in the planning of the tourism destination.</b>							The original result matrix did not consider outcome indicators for the specific objective 2, so a new outcome indicator was included.
<b>Indicator 3.1:</b> % of Local Tourism Committees of the beneficiary destinations* that have incorporated climate resilience in their tourism development plans.  * Beneficiary destinations: Caye Caulker, Toledo and Corozal.	%	0	2014	100%	<b>Means of verification:</b> Memorandum of approval of the updated tourism development plans by LTCs.		
<b>SPECIFIC OBJECTIVE 3: Improving sector governance and creating enabling conditions for private sector investment in overnight tourism</b>							
<b>Results 4: National Tourism Policy Updated.</b>							The original result matrix did not consider outcome indicators for the specific objective 3, so a new outcome indicator was included.
<b>Indicator 4.1:</b> Cabinet approval of an updated National Tourism Policy	Policy	0	2014	1	<b>Means of verification:</b> Decree of approval.		
<b>Results 5: Strengthening the resilience of local tourism business to cope with COVID 19 pandemic.</b>							A new outcome was included to reflect the results of activities of the tourism sector to respond to COVID-19 pandemic, that will be implemented under Component 3 of the program.
<b>Indicator 5.1:</b> Biosecurity protocols for COVID 19 for tourism SMEs approved and implemented.	Number	0	2014	5	<b>Means of verification:</b> Memorandum of approval of the protocols and final evaluation of the program.		

Products	Estimated Cost (US\$)	Unit	Base line	2016 Year 1	Year 2	Year 3	Year 4	2020 Year 5	Final Goal	Means of verification	Changes to the original matrix
<b>Component I: Enhancement of the tourism product</b>											
<b>Indicator 1.1:</b> Number of visitor facilities <sup>1</sup> built in archaeological sites managed by NICH	1,629,644	Facility	0	0	1	1	0	3	5	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports <b>Comments:</b> The sites include Caracol, Santa Rita, Cerros, Rio Frio Caves, and Nim Li Punit	
<b>Indicator 1.2:</b> Number of town centers with cultural attractions completed	1,085,139	Town center	0	0	0	0	0	1	1	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports <b>Comments:</b> Include Punta Gorda cultural plaza.	The original indicator was reduced from two (2) to one (1).
<b>Indicator 1.3:</b> Number of natural protected areas with visitor facilities improved and developed	90,000	Protect ed area	0	0	0	0	0	2	2	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports <b>Comments:</b> Natural protected areas include Corozal Bay and Mountain Pine Ridge.	The original indicator was reduced from 5 to 2.
<b>Indicator 1.4:</b> Number of destinations with signage installed	365,834	Destina tions	0	0	0	1	3	0	4	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	

<sup>1</sup> Visitor facilities include works for access, sanitation, welcome centers and interpretation trails.

Products	Estimated Cost (US\$)	Unit	Base line	2016 Year 1	Year 2	Year 3	Year 4	2020 Year 5	Final Goal	Means of verification	Changes to the original matrix
										<b>Comments:</b> Destinations include Corozal, Toledo, MPR/Chiquibul and caye Caulker	
<b>Indicator 1.5:</b> Number of management plans, designs and feasibility studies completed	1,328,000	Studies	0	0	0	4	4	3	11	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification</b> PPDU Biannual reports <b>Comments:</b> Includes studies for improvements at archaeological sites, natural protected areas and town centers	
<b>Component II: Promotion of climate resilient tourism destinations and environmental sustainability</b>											
<b>Indicator 2.1:</b> Number of guidelines for improving disaster and climate resilience in the tourism sector completed and endorsed by the MTCCA	134,038	Guideline	0	0	0	0	0	1	1	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	The <b>indicator 2.6</b> “ecosystems service evaluation completed for Toledo” was eliminated.
<b>Indicator 2.2:</b> Number of disaster and climate resilience destination plans completed and presented to the LTC’s	110,727	Plan	0	0	0	0	0	2	2	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	

Products	Estimated Cost (US\$)	Unit	Base line	2016 Year 1	Year 2	Year 3	Year 4	2020 Year 5	Final Goal	Means of verification	Changes to the original matrix
<b>Indicator 2.3:</b> Number of vulnerability and risk assessments completed and presented to the LTCs	110,727	Plan	0	0	0	0	0	2	2	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	
<b>Indicator 2.4:</b> Number of destination crisis management plans completed and presented to the LTCs	110,727	Plan	0	0	0	0	0	4	4	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	
<b>Indicator 2.5:</b> Number of environmental monitoring plans implemented in the destinations	871,540	Plan	0	0	0	0	0	3	3	<b>Source and year of baseline:</b> MTCCA 2015 <b>Means of verification:</b> PPDU Biannual reports	
<b>Component III: Institutional strengthening and capacity building</b>											
<b>Indicator 3.1:</b> National statistic digest with demand and expenditure data by type of tourism published by BTB	217,333	Digest	0	0	0	0	1	0	1	<b>Source and year of baseline:</b> BTB Tourist Digest <b>Means of verification:</b> BTB statistics published online, PPDU Biannual reports	
<b>Indicator 3.2:</b> National tourism policy consultation process completed, and policy submitted to the Cabinet of Belize	75,460	Policy	0	0	1	0	0	0	1	<b>Source and year of baseline:</b> MTCCA 2015 Institutional assessment <b>Means of verification:</b> PPDU Biannual reports	The original 3.2. indicator “ <i>destination tourism statistic digest published by BTB</i> ” will be eliminated
<b>Indicator 3.3:</b> National Tourism	74,540	Law	0	0	1	0	0	0	1		

Products	Estimated Cost (US\$)	Unit	Base line	2016 Year 1	Year 2	Year 3	Year 4	2020 Year 5	Final Goal	Means of verification	Changes to the original matrix
Act consultation process completed, and Bill submitted to the Cabinet of Belize											
<b>Indicator 3.4:</b> Number of LTCs that received technical assistance for implementation of destination plans by MTTCA	400,000	Committee	0	0	5	0	5	0	10	<b>Source and year of baseline:</b> MTCCA 2015 Institutional assessment <b>Means of verification:</b> PPDU Biannual reports	
<b>Indicator 3.5:</b> Responsible tourism awareness and outreach campaign completed	99,019	Campaign	0	0	0	1	0	0	1	<b>Source and year of baseline:</b> MTCCA 2015 Institutional assessment <b>Means of verification:</b> PPDU Biannual reports	The original target on Low Income People on those two indicators was expanded to include other enterprises and tourism workers affected by COVID-19
<b>Indicator 3.6:</b> Number of enterprises that received grants to invest in improving their tourism product quality	601,670	Micro/small/medium enterprises (#)	0	0	0	0	0	40	40		
<b>Indicator 3.7:</b> Number of enterprises that received technical assistance to assess product quality and/or environmental or social aspects of their business	200,000	Micro/small/medium enterprises (#)	0	0	0	0	0	20	20		

Products	Estimated Cost (US\$)	Unit	Base line	2016 Year 1	Year 2	Year 3	Year 4	2020 Year 5	Final Goal	Means of verification	Changes to the original matrix
<b>Indicator 3.8:</b> Number of tourism employees that are trained in tourism: <b>-Total</b> <b>-Women</b> <b>-Indigenous</b>	200,000	Employee	0	0	100	100	200	100	500		
			0	0	50	50	100	50	250		
			0	0	25	25	50	25	125		

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/20

Belize. Reformulation of the Sustainable Tourism Program II  
Loan Contract No. 3566/OC-BL  
(for the financing of the Immediate Public Health Response to Contain and Control the  
Coronavirus and Mitigate its Impact on Service Delivery in Belize)

The Board of Executive Directors

RESOLVES:

1. To approve the reformulation of the Sustainable Tourism Program II, Loan Contract No. 3566/OC-BL authorized by Resolution DE-101/15, in order to finance the Immediate Public Health Response to Contain and Control the Coronavirus and Mitigate its Impact on Service Delivery in Belize, as described in Document PR-\_\_\_\_\_.
2. That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with Belize, as Borrower, to amend Loan Contract No. 3566/OC-BL for the purpose described in this Resolution.

(Adopted on \_\_ \_\_\_\_\_ 2020)