



**Belize's Growth and Sustainable  
Development Strategy  
2016 - 2019**

**LINKING PLANNING AND  
BUDGETING**

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**September 27, 2016**



# Presentation Outline

## ■ Planning Process

- Long term Plan
- Medium term Plan (MTP)
  - Parallel Processes
  - Merging Processes

## ■ MTP aligned with long term plan and the SDGs

- Framework for Sustainable Development
- Budget Process
- Prioritization Strategy and Framework
- Program of Action
- Implementation and Institutional Arrangements
- Human Resource Capacity
- Monitoring & Evaluation



# Planning Process

- Ad hoc planning
- No long term plan prior to 2013
- Existence of Medium Term Strategies – 2003-2005 & 2010-2013
- Existence of Poverty Reduction Strategies – 1998-2003 2007-2011 & 2009-2013
- 2013 - Preparation for new medium term plan started

**Horizon 2030**

**Overall development objectives**

**Growth and Sustainable Development  
2016 - 2019**

**National mid-term strategy**

**National  
Export  
Strategy**

**National  
Education  
Strategy**

**National  
Energy  
Strategy**

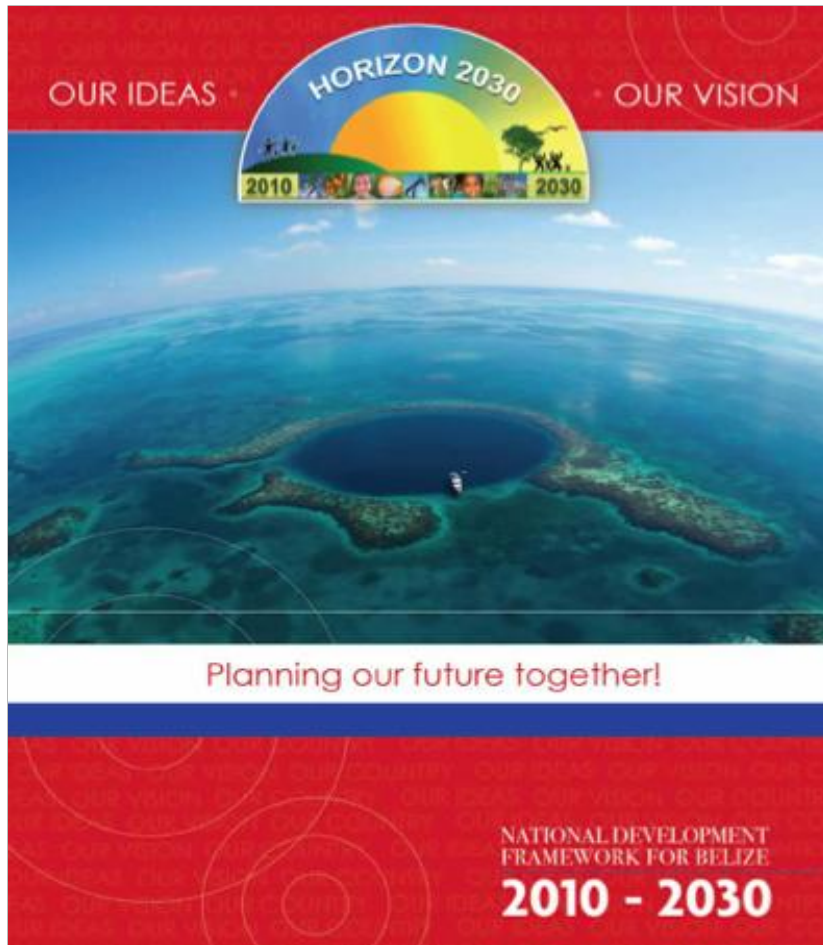
**Sectoral mid-term strategies**

**Annual plans and budgets**

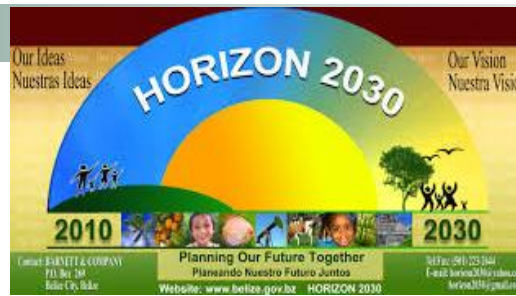
**Priorities for the year**

17 SDGs  
169 targets

# Horizon 2030 – Belize’s National Vision



Belize is a country of peace and tranquility, where citizens live in harmony with the natural environment and enjoy a high quality of life. Belizeans are an energetic, resourceful and independent people looking after their own development in a sustainable way.

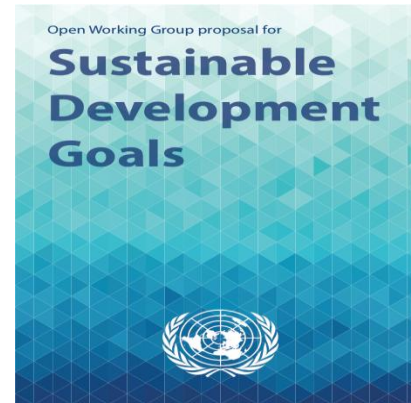


# Development Pillars

1. Democratic governance for effective public administration and sustainable development
2. Education for Development - Education for Life
3. Economic Resilience: Generating resources for long term development
4. Healthy Citizens and a Healthy Environment

***Development in a Sustainable way***

# Parallel Process



**Growth &  
Poverty  
Reduction  
Strategy (GPRS)**

**National  
Sustainable  
Development  
Strategy  
(NSDS)**

# The GPRS Process



Improving the quality  
of life of all Belizeans

- December 2013 - consultative process
- Systems approach
- Goals, targets, gaps
- Constraint Management Approach
- Prioritization framework
- Managing for Results - M&E



# Consultative Approach

- A. Core Team (along w/Consultant)
  - i. PPU
  - ii. SDU
  - iii. Budget Unit
  - iv. SIB
  - v. CBB
- B. UNDP
- C. Themed Consultations with Stakeholders
- D. Existing Plans and Documents (NTSMP, NCRIP, MTDS, CPA, etc);
- E. CEO Caucus
- F. Trade Unions
- G. Steering Committee (CEOs – OPM, MED, MOF, MOE, MAFFE&SD; SIB; CBB; BCCI; EDC; BEST; and UNDP)

# The NSDS Process

**RIO+20, Sustainable Development Goals and Post 2015 Decisions**



- 2012 - SD integrated into a Ministerial portfolio
  - mandate to define its role in relation to SD
- 2013 – Belize volunteers as an SD pilot country
- 2014 – SDGs to replace the MDGs
- 2014 – Belize receives financial and technical support (UNDESA and UNDP) to develop an NSDS
- 2014 - Stakeholder consultations (NSDS Framework)

# Merging the two processes

- ✓ Consultative process yielding similar framework & consultation results
- ✓ Stakeholders voted “yes” to the merger
  - ✓ CEOs from two key Ministries agree
  - ✓ UN Agencies (UNDP and UNDESA) support the merger of the GPRS and the NSDS into one coherent medium term planning document
  - ✓ Two lead consultants agree to work together on the merged document
- ✓ A merger action plan was developed

***Merging into a unified, coherent approach***



# BELIZE 2016 - 2019



GOVERNMENT OF BELIZE  
MINISTRY OF ECONOMIC DEVELOPMENT

- ✓ Belize's medium-term comprehensive national plan, aligned with the country's vision (H2030).
- ✓ 1<sup>st</sup> of a series of MTS aimed at achieving the national vision articulated in the H2030.
- ✓ Mainstreams the SDGs in Belize's national planning framework.
- ✓ Endorsed by Cabinet in August 2015
- ✓ Officially launched in April 2016

# Framework for Sustainable Development

- ✓ Is a set of interrelated goals and objectives that provides the structure for integrated national development planning.
- ✓ Is guided by the long term vision described in H 2030.
- ✓ Is designed to be in harmony with the Post-2015 Development Agenda of UN.
- ✓ Consist of 3 elements in a nested hierarch:
  - A statement of the **Overall Goal**, inspired by the H 2030 vision;
  - A set of four **Critical Success Factors (CSF)** for achieving the Overall Goal which are consistent with H 2030 vision; and
  - A more detailed set of **Necessary Conditions (NC)**, or objectives for actions that is essential to achieving the CSF.



# Framework for Sustainable Development Con't

- ✓ Is a “road map”
- ✓ We use it to define the standards we wish to attain.
- ✓ We use it as the foundation of the M&E framework. We set both long-term and medium-term targets.
- ✓ We assess where we are in relation to the standard.
- ✓ The actions set out in the GSDS aim at reducing the gap between where we wish to be in the future and where we are now.
- ✓ We developed the strategies reflected in the GSDS by first analyzing the reasons why the gaps exist, or the factors that can constrain Belize from attaining the standards.

**Necessary Conditions:**

- Penetrate export markets
- Attract foreign investments
- Effective industrial policy, based on Belize's strengths
- Efficient markets including labour and financial markets
- Adequate infrastructure (roads, ports, energy, water, telecommunications and transport)
- Adequate skills and capacity to support economic growth, development, and resilience
- Align to labor market needs
- Encourage entrepreneurship and business innovation

**Critical Success Factor**

**Natural, environmental, historical, and cultural assets**

**Necessary Conditions:**

- Wise stewardship of natural resource assets
- Ecosystems management
- Protected areas management
- Management of other natural areas
- Water resource management
- Disaster risk management and climate resilience
- Management of historical and cultural areas
- Marine resources, agriculture, and food security
- Rural and urban planning
- Waste management and pollution control

**Critical Success Factor**

**Optimal national income and investment**

**A better quality of life for all Belizeans, living now and in the future**

**Critical Success Factor**

**Governance and citizen security**

**Necessary Conditions:**

- Adequate access to health care
- Adequate access to education and lifelong learning for all
- Optimal social security/insurance
- Better social assistance (direct social protection)
- Effective livelihood programmes (indirect social protection)
- Decent wages and work conditions
- Strong national identity and future vision
- Social inclusion and equitable growth

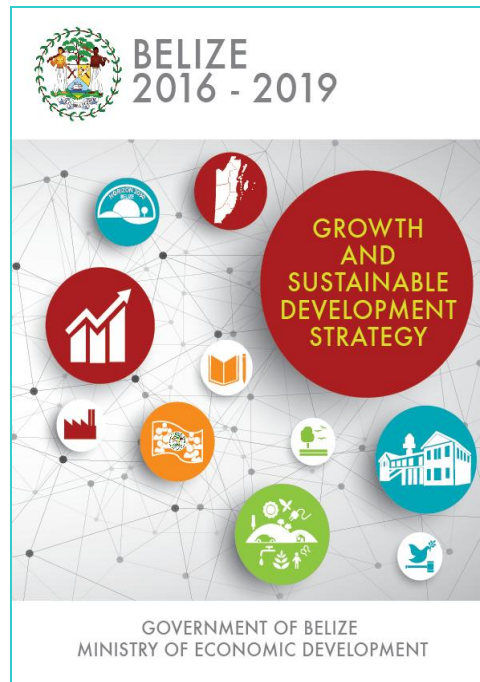
**Critical Success Factor**

**Social cohesion and resilience**

**Necessary Conditions:**

- Improved technical and political governance systems
- Amelioration of social issues that fuel crime
- Effective policing
- Better administration of justice
- Maintaining the integrity of national borders

GSDS reflects strategic actions that are expected to contribute towards attaining each NC and by extension the CSF and the overall goal.



GSDS reflects on the consideration for effective planning.

- ✓ Sector plans must be consistent with the GSDS
- ✓ The plans must be linked to the budget
- ✓ Plans must be monitored and evaluated to inform actions to improve performance, and to inform successive rounds of planning and budgeting

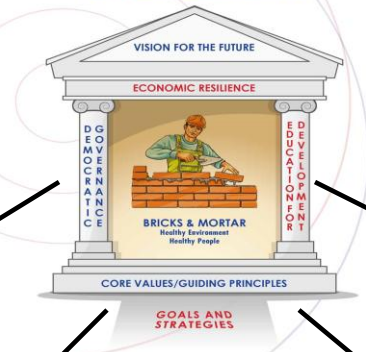


# The Budget Process

- ✓ The Ministry of Economic Development (MED) and the Ministry of Finance (MOF) are responsible for the Government's budget.
- ✓ MED coordinates the preparation of planning documents (Project Cycle).
- ✓ MOF has responsibility for budgeting (full control of budget).
- ✓ Government uses a financial tracking software named "SmartStream" – prepare budget & tracking expenditures.
- ✓ Is a traditional accounting tool that uses a classic chart of accounts that tracks objects of expenditure.
- ✓ Not designed to track strategic results.
- ✓ Does not yet capture the results-based budgets & expenditures.

# Programme Budget

- ✓ Programme Budgeting was introduced in 2013.
- ✓ Begins to introduce Results-Based Management (RBM)
- ✓ Allows to set goals and specific targets for capital budgets.
- ✓ Allows for the breakdown of budget per results.
- ✓ MOF has not been able to populate the budget book with indicators to monitor performance.
- ✓ Budget for fiscal year 2017/2018 is expected to be aligned with the GSDS.
- ✓ Line Ministries has to submit their budgets with targets and indicators aligned to the GSDS.





# Prioritization Strategy and Framework – *Context*

- ✓ To optimize the implementation of the GSDS, best efforts must be made to mobilize resources in a manner that is sustainable, paying attention to implications for debt, impact on economic efficiency, fairness, and consequences for the protection of the natural environment. Strategies to achieve better value for money must also be pursued.
- ✓ Notwithstanding best efforts, resources are limited and hence it may not be possible to pursue all the actions reflected in the GSDS. We developed the strategies reflected in the GSDS by first analyzing the reasons why the gaps exist, or the factors that can constrain Belize from attaining the standards.
- ✓ In the context of limited resources, effective planning requires making optimal choices.



# Prioritization Strategy and Framework – *Elements*

- ✓ Link to Budget
  - ✓ Importance of program budgeting
  - ✓ Base Allocation – performance information is still required
  - ✓ Strategic Allocation
- ✓ Prioritization Framework with respect to strategic allocation
  - ✓ A general phasing approach based on the country's stage of development; alongside
  - ✓ A simplified multi-criteria assessment framework



# Prioritization Strategy and Framework – *General phasing priorities*

- ✓ Macro-economic stability and fiscal space for financing development
- ✓ Basic infrastructure – water, sewerage, waste disposal, connectivity
- ✓ Improving institutional performance and overall governance
- ✓ Citizen security
- ✓ Improving access to and quality of education and health care
- ✓ Mainstreaming climate change and ecosystem management
- ✓ Setting the stage for achieving greater efficiency during the succeeding GSDS planning period

# GSDS Prioritization Framework

*To be used for analysing and comparing policy choices in order to find the most effective options, create the most synergy, reduce suboptimal trade-offs*

<p><b><u>1. Level of Urgency</u></b>  <i>Degree to which an action is required in order to avoid near-term, system-critical disruptions or missed opportunities</i></p>	<p><b><u>2. Level of Impact</u></b>  <i>Degree to which an action leads to visible and measurable improvements in quality of life in the medium term</i></p>	<p><b><u>3. Availability of Resources</u></b>  <i>Extent to which resources (budgetary or external) have already been, or can be committed to the action</i></p>	<p><b><u>4. Net Systemic Contribution</u></b>  <i>Extent to which an action contributes, over time, to the integrated achievement of the Critical Success Factors</i></p>
<p><b>High</b> = Failure to implement the action in the near-term is likely to result in serious damage to the current and future prospects of Belize, as reflected in the Critical Success Factors</p>	<p><b>High</b> = The action will lead to quick, visible, and measureable improvements in quality of life for Belizeans</p>	<p><b>High</b> = Funds and human resources are already allocated, can easily be allocated, or can (with high levels of certainty) be mobilized from extra-governmental sources</p>	<p><b>High</b> = The action contributes to advancing multiple (or even all) Critical Success Factors in the medium and long term</p>
<p><b>Medium</b> = The action is desirable in the medium term and delay in implementation significantly increases the risk that objectives will not be met in a timely fashion</p>	<p><b>Medium</b> = The action will have a noticeable and measureable positive effect on quality of life in the medium term, but the effects will be more noticeable in subsequent periods</p>	<p><b>Medium</b> = Resources are expected to be available for allocation, with lower levels of certainty</p>	<p><b>Medium</b> = The action contributes to advancing one or two Critical Success Factors, with little to no trade-off required regarding the other CSFs</p>
<p><b>Low</b> = The action can be postponed at low risk to the current and future prospects of Belize</p>	<p><b>Low</b> = The positive effects of the action on quality of life will not be felt or be measurable until after the current planning period</p>	<p><b>Low</b> = Political and economic circumstances make it very difficult to identify and/or allocate resources at this time</p>	<p><b>Low</b> = The action advances only one Critical Success Factor, at the expense of progress on (or at the cost of damage to) other CSFs</p>

# Example: Prioritization Framework Applied

*Hypothetical examples to illustrate the four criteria*

<i>Policy Option</i>	<b>Level of Urgency</b>	<b>Level of Impact</b>	<b>Availability of Resources</b>	<b>Net Systemic Contribution</b>
1. Renewable energy installation with external financing	Medium	High	High	High
	<i>Could be delayed but funding may be time sensitive</i>	<i>Add further energy stability and independence, reduce pollutants</i>	<i>Funding available through international sources</i>	<i>Creates jobs, improves environmental stewardship, social benefits</i>
2. Agricultural development program	Medium	High	Medium	Medium*
	<i>Delays do not cause serious damage</i>	<i>Creates jobs</i>	<i>External investor still to be identified</i>	<i>Creates jobs and social benefits but comes with environmental costs and risks</i>

*\* Note: Assessment could improve by adopting sustainable agriculture methods, which could reduce environmental risk and also improve the prospects for external investment*





# Program of Action – *Overview*

**The cost associated with each strategy will be determined by line ministries as a part of the multi-year budget formulation process.**

- ✓ Line ministries are to align their activities to the outcomes reflected in the SD Framework.
- ✓ Provide broad direction to line ministries and government agencies within the SD context – “the big picture”.
- ✓ Articulates specific priority action to be pursued by line ministers over the medium term subject to availability of resources.
- ✓ Line ministries are to undertake detailed planning for the implementation of these actions and other related actions that may be necessary towards attaining the medium term targets with respect to goals under the SD Framework as reflected under the M&E Framework. These are to be reflected in the annual budget submissions.

## Targets



5% real output growth over a prolonged period.

1% reduction in unemployment annually; below 5% by 2030

Assuming population growth of about 2%, 33% rise in per-capita income over a 10 year-period.



## Flagship Actions



Identify enterprises with potential to become more competitive

Improve the ease of doing business

Ensure the coordinated implementation of the NES, the NST Master Plan, the NCC Policy, Strategy and Action Plan, and other planning documents within wider national planning efforts.



Enhance efforts to encourage cooperation among firms

Develop other development financing instruments – venture capital and export financing

## Targets



- Complete eradication of poverty by 2030 and more equitable income distribution
- Homicides reduced to under 10 per 100,000 inhabitants annually
- Universal access to basic and early childhood education
- Universal access to health care
- Life expectancy maintained or raised beyond the current level of 74 years

## Flagship Actions



- Study mechanisms for health care financing
- Educate and influence young people to change eating habits for improved nutrition
- Monitor and evaluate the effectiveness of recently launched social protection initiatives and the social assistance framework in general.
- Strengthen community-driven approaches for the implementation of livelihood programs.
- Develop strategies that could simultaneously promote greater labor productivity and better worker compensation.



## Targets



Arrive at right balance between strategies to drive economic growth and those to maintain the integrity of the environment

Specific targets related to quality of the environment indicators to be further developed and reflected in the indicator framework.

## Flagship Actions



Complete and implement the National Land Use Policy and Integrated Planning Framework

Complete a Water Master Plan, a National Groundwater and Surface Water Assessment, and a Water Vulnerability Profile



Continue implementation of the Solid Waste Management Project (SWMP)

Establish the National Protected Areas System and its related policies and plans of action

Implement the National Environmental Policy and Strategy 2014-2024; and National Biodiversity Strategy and Action Plan.

## Targets



Reduced waste and abuse of resources; better budgeting and hiring practices; improved accountability mechanisms; generally, improved public financial management

Better public sector decision making (regarding policies, strategies and programs) through engaged governance

Homicides reduced to under 10 per 100,000 population



## Flagship Actions



Fully implement program budgeting, and seek budget efficiencies and synergies

Continue implementation of other public finance reform initiatives

Strengthen and broaden representation on the EDC.

Provide adequate basic equipment and training to law enforcement officials.



Deploy closed circuit television (CCTV) cameras to aid with police surveillance



# Program of Action

## *Key Implementation Actions*

- ✓ Entrench program budgeting.
- ✓ Put in place the recommended institutional arrangements to implement the GSDS.
- ✓ Review and reform the tax regime to enhance fiscal space, support economic efficiency and promote fairness.
- ✓ Prepare a Disaster Risk Financing Plan.
- ✓ Increase flexibility in human resource management and allocation
- ✓ Implement the monitoring and evaluation framework

# Implementation and Institutional Arrangements

- ✓ The effective implementation of the GSDS requires effective coordination across institutional or ministerial boundaries.
- ✓ The systems approach demands it!
- ✓ Effective coordination will reduce waste and duplication, and will build synergies – This is especially important in the context of limited resources.
- ✓ Effective coordination will improve focus and effectiveness through better distribution of task and resources.
- ✓ Effective coordination will help improve transparency and accountability.
- ✓ Doing more with what we have! Improving the functioning of the system

# Institutional Roles for Implementation

OFFICE OF THE PRIME MINISTER AND CABINET

Authorization of the GSDS

CEO CAUCUS

Review of the GSDS; resolve prioritization issues and policy conflicts

MED

MED: Overall coordination

Optimal National Income & Investment Committee

Social Cohesion and Resilience Committee

Natural, Environmental, Historical, and Cultural Assets Committee

Governance and Citizen Security Committee

TECHNICAL COMMITTEES: Policy review, prioritization, M&E oversight

(Report to CEO Caucus)

ECONOMIC AND SUSTAINABLE DEVELOPMENT COUNCIL

ADVISORY BODY: Provide input on implementation and future priorities





# Implementation and Institutional Arrangements – *Technical Committees*

- ✓ Coordinate all the related strategies, plans, programs and actions to ensure that progress is made towards stated goals.
- ✓ Identify and resolve issues of clarity, priority, goal conflict, resource allocation, etc. as they arise.
- ✓ Provide oversight and input to monitoring and evaluation activities.
- ✓ Report on progress and recommend matters for the consideration of the CEO Caucus.
- ✓ Facilitate the development of an organic working relationship among stakeholders.
- ✓ Guard against duplication of efforts.

# Implementation and Institutional Arrangements – *Advisory Bodies*

- ✓ Economic and Sustainable Development Council
  - ✓ A forum for sharing and dialogue between public sector, private sector and civil society.
  - ✓ Moving from EDC to ESDC
  - ✓ Monitoring and evaluation reports will be shared with the ESDC
  - ✓ The ESDC will provide feed-back to the CEO Caucus, copied to Cabinet
  - ✓ The CEO Caucus will act on the advice as deemed appropriate
- ✓ National Sustainable Development Stakeholder Consultation



# Human Resource Capacity Development Strategy

- ✓ Effective human resource management is critical for the effective pursuit of the development objectives reflected in the GSDS.
- ✓ Arriving at the appropriate level and mix of HR to support the optimal attainment of development objective should be at the heart of the HR strategy.
- ✓ Motivating persons to serve at their maximum capacity is also an important HR consideration.
- ✓ The above considerations will be closely tied to public financial management reforms especially the transition from line budgeting to program budgeting.
- ✓ Adequate capacity to pursue sustainable development is needed

# Human Resource Capacity Development Strategy

- ✓ Capacity building will be closely linked to national development planning frameworks.
  - ✓ Link budgeting to H2030, the GSDS, and other planning documents.
  - ✓ Monitor and evaluate performance.
  - ✓ Use performance information to improve the effectiveness of SD strategy.
- ✓ Specific priority areas that will be pursued for the HR strategy:
  - ✓ Increasing flexibility in HRM and allocation.
  - ✓ Increase training allocation and strategic targeting
  - ✓ Skill shortages and retention
  - ✓ Link training to public service commitment
  - ✓ Prioritize the retention of institutional knowledge
  - ✓ Capacity development – specifically – MED, SDU & SIB

# Monitoring & Evaluation

- ✓ M&E is at the heart of managing for development results
- ✓ Development of a comprehensive National Statistical System will be lead by SIB
- ✓ Inter-ministerial and inter-agency Working Tables to be chaired by SIB with support from MED, will support the development and maintain the M&E framework for the GSDS.
- ✓ Comprehensive indicator framework at level of CSF and NCs
- ✓ Indicator framework at ministerial and agency level and linked to Indicator framework at level of CSF and NCs.
- ✓ Initial draft of Indicator framework at level of CSF and NC to be further developed and continuously updated

# Monitoring & Evaluation

- ✓ The existing draft reflects detail with respect to Key performance Indicators (KPIs) for each CSF as well as for each NC. Targets to be pursued over the long term (2030) and over the first GSDS period (by 2019) are also reflected.
- ✓ In the further development of the framework, the SDGs indicators will be reflected.
- ✓ The Working Tables and the Technical Committees will make recommendations with respect to the appropriate indicators to be monitored, the capacities to be put in place for effective M&E subject to cost considerations
- ✓ MED and MOF will lead efforts to encourage and or assist ministries and agencies to develop appropriate M&E frameworks, that will be interrelated to the M&E framework at the level of the CSF and NC.



*Thank you!*