# NATIONAL CONSULTATION

## Sustainable Recovery and Resilience towards achieving the Sustainable Development Goals in BELIZE

Date: Wednesday April 20, 2022 (1 pm to 4 pm Belize time) (3pm to 6 pm AST/ET)

## **ORGANIZERS:**

United Nations Department of Economic and Social Affairs (DESA) Division for Sustainable Development Goals (DSDG)

United Nations Economic Commission for Latin America and the Caribbean (ECLAC) Subregional Headquarters for the Caribbean

in close coordination with: United Nations Resident Coordinator Office (UNRCO) and United Nations Country Team (UNCT)

# in partnership with the Government of **BELIZE**

## **CONCEPT NOTE**

## Background:

The 2030 Agenda for Sustainable Development and the accompanying Sustainable Development Goals (SDGs) embody the strategic vision and aspirations of all countries for the future of development. Its implementation will require comprehensive actions at the global, regional, and national levels, as indicated in General Assembly Resolution 70/1 on Transforming our World: the 2030 Agenda for Sustainable Development. With the 2030 Agenda for Sustainable Development and the SDGs, a new emphasis is placed on how policy coherence and better integrated planning mechanisms can help countries strengthen their planning processes, develop holistic development frameworks reflecting global, regional and special commitments, such as the SAMOA Pathway for SIDS, and achieve their national development objectives in a more effective, efficient, equitable and sustainable way, ensuring that 'no one is left behind'.

Considering the COVID-19 pandemic where the world faced an unprecedented fastchanging scenario for which developing countries and Small Island Developing States (SIDS) have limited capacity, the relevance of strong, integrated policies and policy coherence is reinforced.

The COVID-19 pandemic, which started out as a severe and acute public health emergency, has since become a socioeconomic crisis of immense proportion that has had significant impacts on social and economic systems, threatening many of the development gains made across countries. The primary cost of the pandemic has been the loss of many lives although the secondary effects of the pandemic on the economy, livelihoods and sustainable development prospects are more alarming. In a context of global contraction, the Latin America and the Caribbean subregion have been hardest hit by the crisis stemming from COVID-19.

External challenges specific to the Caribbean subregion included the near total shutdown of air and cruise travel, significantly impacting the tourism sector which is the backbone of many of the economies in the Caribbean as well as foreign exchange earnings; stress in related supply chains (agriculture, construction, hotels, restaurants, entertainment and the culture, cultural and creative industries or the orange economy); a sharp contraction in larger economies, a downturn in commodities prices, the contraction of foreign direct investment (FDI) flows and remittances; disruption in transportation and global supply chains; risk aversion for external investors, and restrictions on foreign exchange availability.

The impacts of COVID-19 on vulnerable groups - including persons with disabilities (PWDs), children, women and girls, female-headed households, and persons living with HIV/AIDS among others have been stark due to the economic fallout experienced by countries as well as the disruptions in access to basic social services. Many persons also have been impacted by the disruption of essential health services including services for sexual and reproductive health, non-communicable diseases and mental health support. These vulnerable groups and communities were challenged before the pandemic by economic hardship and social disparities and their conditions exacerbated by the pandemic.

Like many countries the world over, Caribbean countries also experienced several challenges in education due to school closures. Other social issues worth mentioning because of the pandemic include food insecurity, food gluts due to supply chain disruptions, and increases in gender-based violence although the latter has not been fully quantified.

Belize is a lower middle-income developing country with a pre-COVID-19 poverty rate of 52 per cent (201,616 persons), compared to 41 percent or 136,640 persons in 2009. Another 11 per cent of the population is considered vulnerable to poverty<sup>1</sup>. Among the 'poor' population, about 9 percent or 35,663 persons and indigent are critically poor. About 11 per cent or 42,590 persons were classified as vulnerable to poverty in 2018. These were persons who are classified as not poor' but are at risk of falling into poverty if they experienced some type of economic/exogenous shock or a natural disaster. The COVID-19 pandemic therefore put these persons at risk. Fifty-seven per cent of youth 15 - 24 years

<sup>1</sup> http://sib.org.bz/wp-content/uploads/PovertyStudy2018.pdf

are classified as poor. The poverty rate in rural areas rose slightly in 2018 to 59 per cent, compared to 55 per cent in 2009. Most of the poor in rural areas are smallholder farmers and agricultural workers. However, the level of poverty in the urban areas showed a more significant increase from 28 percent in 2009 to 43 percent in 2018<sup>2</sup>.

Women make up more than 50 per cent of the population. In 2021, Belize scored 0.7 in the gender gap index, the highest score since 2015, representing a gender gap of approximately 30 per cent, meaning that women are 30 per cent less likely than men to have equal opportunities.<sup>3</sup>

The 2020 Human Development Index (HDI) ranked Belize 110 among 188 countries, with an HDI of 0.716<sup>4</sup>. This status, however, belies a high poverty rate, high income disparity, inequality, stagnation in GDP growth, and an increasing debt to GDP ratio. Although Belize has the third highest per capita income in Central America, the average income figure masks a huge income disparity between rich and poor and high levels of poverty.

Belize therefore entered the pandemic with pre-existing vulnerabilities. Real GDP growth had slowed from 4.7 per cent in 2000–09 to 2.8 per cent in 2010–14 and 1.8 per cent in 2015–19. Prior to the onset of the pandemic, Belize's economy was in recession with real GDP contracting by 2.2 per cent year on year in the last quarter of 2019 and 6.3 per cent in the first quarter of 2020<sup>5</sup>. The country also has experienced a weakened fiscal position with the fiscal deficit widening from an average of 1.1 per cent of GDP in 2007-2014 per cent to 4.3 percent in 2015-2019. This was due mainly to a rise in public expenditures that was partly offset by an increase in revenues. The primary balance fell from 2.2 percent of GDP in 2007-2014 to -1.5 percent of GDP in 2015-2019. This resulted in a rise in public debt from 78.9 per cent of GDP in 2014 to 97.5 per cent of GDP in 2019.

Labour market outcomes, as of September 2019, indicated an unemployment rate of 10.4 per cent with under-employment at 20 per cent, with women experiencing 33 per cent and men 16 per cent under-employment.<sup>6</sup>

Belize has a natural resource-based economy: tourism, followed by exports of agricultural commodities and crude oil. Limited diversification of the export base makes Belize highly vulnerable to external shocks and compromises its resilience. For example, Belize is highly vulnerable to climate-related hazards including extreme hydro-meteorological events due to its geographic location, which leaves it exposed to the risk of rising sea levels and more frequent and more intense tropical cyclones (storms and hurricanes) and flooding. Over the past 15 years, natural disasters have caused damage equivalent to 3.16 per cent of GDP per annum<sup>7</sup>.

<sup>&</sup>lt;sup>2</sup> <u>http://sib.org.bz/wp-content/uploads/PovertyStudy2018.pdf</u>

<sup>&</sup>lt;sup>3</sup> Gender gap index in Belize from 2015 to 2021. Available at: <u>https://www.statista.com/statistics/803474/belize-gender-gap-index/</u>. Assessed on: October 15, 2021

<sup>&</sup>lt;sup>4</sup> <u>https://www.imf.org/en/Publications/CR/Issues/2021/06/07/Belize-2021-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-50198</u>

<sup>&</sup>lt;sup>5</sup> IMF. 2021 Belize: 2021 Article IV Consultation-Press Release; Staff Report; and Statement by the Executive Director for Belize

<sup>&</sup>lt;sup>6</sup> UN Belize Common Country Analysis 2021

<sup>&</sup>lt;sup>7</sup> UN Belize Common Country Analysis 2021

Since the start of the pandemic there has been 57,191 infections and 654 coronavirusrelated deaths. Belize has administered at least 465,000 doses of COVID vaccines so far, with 52 per cent of the country's population fully vaccinated<sup>8</sup>.

In response to the pandemic, the Government introduced several measures to support its population and key sectors including:

- A fiscal stimulus amounting to BZ\$25 million (1 percent of GDP) in 2020 to provide short term relief to employees affected by the crisis, especially those in the tourism sector, exceeding more than 40,000 applications for unemployment relief
- Support to the unemployed financed with loans from bilateral and multilateral creditors.
- Support to the healthcare sector financed with loans from bilateral and multilateral creditors
- The Central Bank of Belize adopted prudential measures to maintain the flow of credit in the economy: (i) reducing the statutory cash reserve requirements; (ii) extending the time period to classify targeted non-performing loans in sectors such as restaurants, transportation and distribution companies, and other affected areas, from 3 months to 6 months; (iii) encouraging domestic banks and credit unions to provide grace periods for servicing interest and/or principal of commercial and ancillary loans, as needed and where commercially viable; (iv) reducing risk-weights for banks on loans in the tourism sector from 100 percent to 50 percent; and (v) reviewing financial institutions' business continuity and cybersecurity plans to ensure that an adequate level of financial services will be available to the public.

## **Objective:**

The National Consultation represents Phase II of the UNDESA and ECLAC cooperation with Belize that aims to strengthen the integrated recovery planning and decision-making capacity of the national stakeholders in **BELIZE** and other participating Caribbean States involved in mitigating the impacts of the COVID-19 pandemic and building back better towards achieving the 2030 Agenda and its Sustainable Development Goals.

The National Consultation aims at discussing with stakeholders the progress in formulating and implementing sustainable recovery plans in Belize and receiving input and concrete recommendations on building back better and accelerating the implementation of the country's national plans and advancing the achievement of the sustainable development goals.

## **Target Audience:**

The national consultation will bring together a wide range of Government, CSOs, academia, indigenous peoples and private sector representatives engaged in national development planning and other COVID-19 recovery plans, the 2030 Agenda for Sustainable Development and the SDGs. The national consultation also will include

<sup>&</sup>lt;sup>8</sup> https://graphics.reuters.com/world-coronavirus-tracker-and-maps/countries-and-territories/belize/

relevant the UN Country Team in Belize, and UN System partners. Some possible organizations that could be targeted for the consultation include:

Public Sector – Relevant Government Ministries	Civil Society
<ul> <li>Public Sector - Relevant Government Ministries</li> <li>Ministry of Sustainable Development, Climate Change and Disaster Risk Management</li> <li>Ministry of Finance, Economic Development, and Investment</li> <li>Ministry of Agriculture, Food Security and Enterprise</li> <li>Ministry of Rural Transformation, Community Development, Labour and Local Government</li> <li>Ministry of Foreign Affairs, Foreign Trade, and Immigration</li> <li>Ministry of Health and Wellness</li> <li>Ministry of Infrastructure Development and Housing</li> <li>Ministry of Natural Resources, Petroleum and Mining</li> <li>Ministry of Tourism and Diaspora Relations</li> <li>Ministry of Education, Culture, Science &amp; Technology and E-Governance</li> <li>Ministry of National Defence and Border Security</li> <li>Ministry of Home Affairs and New Growth Industries</li> <li>Ministry of Public Utilities</li> <li>Ministry of Public Service, Constitutional, Political Reform and Religion</li> </ul>	<ul> <li>Civil Society</li> <li>Association of Protected Areas Management Organization</li> <li>National Trade Union Congress of Belize</li> <li>National Committee for Families and Children</li> <li>Belize Family Life Association</li> <li>UNIBAM</li> <li>Women's Issues Network of Belize (WIN Belize)</li> <li>Our Circle</li> <li>Economic Development Council</li> <li>Protect Areas Management Trust</li> </ul>
Attorney General Ministry	
Private Sector	Academia
<ul> <li>Belize Chamber of Commerce</li> <li>Belize Development Finance Corporation</li> <li>Belize Credit Union League</li> </ul>	<ul> <li>University of Belize</li> <li>University of the West Indies (Open Campus)</li> <li>Galen University</li> <li>ATLIB</li> </ul>
Development Partners and Regional Organizations	
<ul> <li>UNDP</li> <li>ECLAC</li> <li>Un Women Multi-Country Office</li> <li>FAO</li> <li>DESA</li> <li>CDB</li> <li>CCCCCC</li> <li>The Nature Conservancy</li> <li>Inter-American Commission of Human Rights</li> </ul>	

# Strategy UNDESA and ECLAC Cooperation (Target Group/ main activities/ approach/methodology)

The National Webinar/Virtual National Consultation is included under Phase II of UNDESA and ECLAC cooperation in Belize and includes:

## Phase 1:

 Provision of advisory support to BELIZE with focus on researching the COVID-19 pandemic, its impacts and evaluating the progress in recovery planning measures and methodologies in the Caribbean Region in general and in BELIZE. The technical support will be provided through regional and national experts.

## Phase 2:

Organizing a virtual national consultation/webinar in BELIZE, during April 2022 aimed at discussing the progress in formulating and implementing integrated recovery plans and strategies that are intended to accelerate the development and implementation of the country's new medium-term strategy which is currently being prepared to cover the period 2021 – 2025 and which contains the following overarching priorities: poverty reduction (including social protection); economic transformation; citizen security; protection of the environment and eliminating corruption as well as the sustainable development goals.

## Phase 3:

- Adapting the UNDESA – UNITAR e-learning course "Integrated Recovery Planning and Policy Coherence towards the SDGs", with specific emphasis to the national context of Belize and integrating green deals and green recovery approaches.

## Phase 4:

- **Delivery of e-learning course** "Integrated Recovery Planning and Policy Coherence towards the SDGs: The Belize Context", in Belize using a Train-the-Trainer format targeting Government, Civil Society Organization representatives, Academia, Youth, Indigenous People and the Private Sector.

## **National Consultation**

## Sustainable Recovery and Resilience towards the Sustainable Development Goals in Belize

# Date: Wednesday April 20, 2022 (1 pm to 4 pm Belize time) (3 pm to 6 pm AST/ET) Programme / Agenda

Welcome and opening (15:00 Minutes) Moderated by Sami Areikat, UNDESA

Remarks by (Government and UN Agencies)

- Ministry of Sustainable Development, Climate Change and Disaster Risk Management (CEO or Mr. Victor Alegria, Director)
- UNDESA (Mr. Amson Sibanda, Chief, NSCBB/DSDG)
- ECLAC (Mr. Abdullahi O. Abdulkadri, ECLAC Subregional Headquarters for the Caribbean)

Session 1 (40 Minutes): Assessment of the Social and Economic Impact of COVID-19 in Belize

Moderated by Sami Areikat Presentation by Elizabeth Emanuel

## **Brief Description**

The session will include a brief presentation by UNDESA on the main findings of the research paper, "Impact of COVID-19 on 5 Caribbean SIDS... Evaluating Progress in Recovery Planning, Emerging Policy Options, Best Practices and Lessons Learned", with specific reference to Belize and focussed on the impacts of COVID-19 on the country.

This will be followed by inputs from key stakeholders from the public sector, private sector, academia, youth and civil society organizations sharing the main impacts, including data on a single sector based on the guiding questions below that they are most engaged in. *Participants could also include responses to the questions in the Zoom chat that will be available throughout the consultation.* 

## **Guiding Questions for Stakeholders**

What has been the experience and impact of COVID 19 in Belize:

- a. Impacts on the Economy
- b. Impacts on the Labour Market
- c. Impacts on Education
- d. Impacts on Employment
- e. Impacts on Population Health (outside of COVID-19 but with focus on NCDs, HIV/AIDS and other diseases)
- f. Impacts on Tourism and MSMEs

- g. Impacts on Livelihoods, Food Security and Access to Markets
- h. Impacts on Indigenous Peoples
- i. Impacts on Women and Girls (any stark differences to the impact on men and boys?), including gender-based violence
- j. Changes in waste management (increase in medical waste for example)
- k. Other Socio-Economic Impacts

Session 2 (40 Minutes): Stakeholders' Engagement and Capacities to Implement Recovery Plans Post COVID-19:

Moderated and presented by Ministry of Sustainable Development, Climate Change and Disaster Risk Management and Ministry of Economic Development

## **Brief Description**

This session will explore the importance and role of stakeholder involvement and engagement, political commitment and building consensus and ownership for recovery planning post COVID-19. The session also will explore the importance of policy coherence and policy coordination mechanisms. The session will begin with a brief presentation from the Ministry of Sustainable Development, Climate Change and Disaster Risk Management, and address the following questions:

- How has the COVID-19 affected or influenced the development of the country's new medium-term strategy?
- How has COVID-19 affected the progress towards implementation of the 2030 Agenda for Sustainable Development in Belize?
- What was some of the immediate actions taken by the Government to reduce the overall socio-economic impacts on the population and the economy with specific emphasis on vulnerable groups, children and the most vulnerable?
- What steps are being taken to involve stakeholders in the preparation and implementation of Recovery Plans?

**Guiding Questions for Stakeholders –** (Using a scale of 1 – 5, with 5 being the best possible outcome and 1 being the least favourable outcome).

- How effective do you think the Government's immediate actions were in reducing the overall socio-economic impacts of the pandemic on people, vulnerable groups, indigenous peoples and economic sectors?
- How important do you believe robust and inclusive stakeholder engagement is for a sustainable recovery process?
- How much of a role do you see for national stakeholders public and private sectors, civil society organizations and academia in the recovery planning process and implementation efforts?
- How important is political commitment to the sustainable recovery?
- How strong do you believe current policy coherence and policy coherence mechanisms are in place in Belize?

Participants would include responses to the questions in Mentimetre – participants will be asked to go menti.com either from their computers, iPad or smart phones – put in code and then respond to the questions based on the scale of 1 to 5. The results will be shared on screen as participants input their responses. All responses are anonymous.

Session 3 (40 Minutes): Building Forward Stronger Post COVID-19... The Road to a Resilient Recovery... Selected Options for Consideration in Belize

Moderated by Elizabeth Emanuel Presentation: Sami Areikat

#### **Brief Description**

This session will begin with a short presentation from UN DESA on Proposed Strategies and Transformative Initiatives for Consideration in Building Back Better, Building Forward Stronger, Fairer and Equal Post COVID-19. These initiatives are aligned to the Multi-Country Sustainable Development Cooperation Framework (MSDCF) and the SDGs and which emerged from the research paper, "Impact of COVID-19 on 5 Caribbean SIDS... Evaluating Progress in Recovery Planning, Emerging Policy Options, Best Practices and Lessons Learned" will be presented. Following this presentation, participants will engage in a brainstorming exercise.

#### **Brainstorming Exercise**

Participants will be asked to brainstorm using *Polling* to assess how they view each of the proposed initiatives presented. Using Polling, each participant will review the proposed initiatives and vote for the top 3 they believe are most critical for Belize to build forward stronger or equal. The responses will then be collated across all participant responses and the top 5 priority areas for Belize, based on the consensus of all groups.

Participants would vote via Mentimetre – participants will be asked to go menti.com either from their computers, iPad or smart phones – put in code and then respond to the questions based on the scale of 1 to 5. The results will be shared on screen as participants input their responses. All responses are anonymous.

Session 4: (35 Minutes): Financing for Sustainable Recovery and Development in the Era of COVID-19 and Beyond

## Moderated by Abdullahi O. Abdulkadri

## **Brief Description**

The session will take the form of a panel discussion involving UN and Regional Organization counterparts involved in the recovery process in Belize and the wider Caribbean. Panellists will share via 2-minute presentations on financing for development beyond COVID-19; and innovating financing instruments/tools and other resources available for advancing onto the road to a resilient recovery. This session will therefore take stock of the financial resources required and progress made so far to take the Caribbean Region and more specifically Belize from vulnerability to resilient development and sustainable recovery and dynamic growth, all within the thrust of 'leaving no one behind'. Potential of addressing Belize debt restructuring through Blue Bonds Transaction ..... Panellists will address the following:

- What are the COVID-19 related debt and liquidity challenges facing the Caribbean Region and Belize and possible measures to address them?
- How to mitigate the collapse of key economic sectors, including sectors such as MSMEs
- How to engage private creditors, international and regional development banks and access concessional funding, with debt cancellation

- What are the non-traditional forms of financing that could be explored (e.g. international philanthropic organizations, foundations, public-private partnerships, new financing vehicles for areas such as women's economic empowerment etc.)
- How to promote economic diversification and green and blue investments for resilience building in the Caribbean Region?
- What are some of the innovative financing tools available to Caribbean countries and how they can be applied (e.g. blended financing, debt swaps, green and blue bonds etc.)
- How can countries capitalize on the Addis Ababa Financing for Development Agenda which adopted a renewed global financing architecture to support the Sustainable Development Goals?
- What is the role of UN agencies to support countries in their thrust to building back better and equal?

## **Proposed Speakers**

- Ministry of Finance, Economic Development, and Investment
- UNDP
- ECLAC
- CDB

# Closing Remarks and Next Steps (15:00 Minutes) Government of Belize

**UN** Agencies