



## **Assessment of the Social and Economic Impact of COVID-19 in Belize**

Strengthening integrated recovery planning and policy coherence towards the achievement of the Sustainable Development Goals (SDGs) in selected Caribbean States

# Impacts of COVID-19 in the Caribbean

**Unprecedented disruptive effects on the lives and livelihoods of people**

**Increasing inequalities among already vulnerable and disadvantaged groups**

**Threatened food security and nutrition**

**Education loss**

**Increases in gender-based violence**

**Economic contraction**

**Increases in unemployment with a knock-on effect on household incomes**

**Increases in poverty**

**Drop in investment**

**Closure of several micro- small - and medium-sized businesses**

**Shutdown of air and cruise travel, impacting the tourism sector**

**Stress in tourism-related supply chains (agriculture, construction, hotels, restaurants, entertainment and the cultural & creative industries)**

# Snapshot of Belize

Poverty Rate  
**52%**

Youth in  
Poverty  
**57%**

Human  
Development  
Index  
**0.716**

Unemployment  
Rate  
**10%**

Gini  
Coefficient  
**0.53**

Education  
Index  
**0.705**

GDP Growth  
2019  
**1.8%**

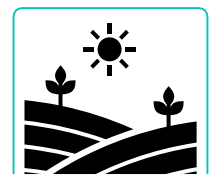
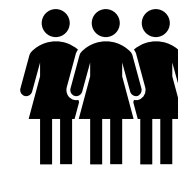
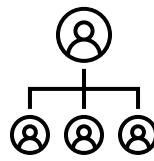
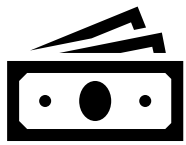
Cost of Natural  
Disasters/annum  
**3.16% GDP**



# Belize – Progress to Achieving the SDGs

- The Sustainable Development Report ranks Belize 104 out of 165 countries with an SDG Index Score of 64.4
- Among Latin America and Caribbean countries, Belize Ranks 22 out of 24 countries





The Economy	Tourism and Services Industries	Labour Market	Women and MSMEs	Agriculture
GDP declined by 14% in 2020	72% fall in tourist arrivals	Increase in the unemployment rate to 13.7% in September 2020	Many micro and small businesses, especially those within the creative and cultural industries, agribusiness and fisheries were impacted.	Impact on market access and availability of some food items
Debt to GDP increased from 99% in 2019 to 134% by December 2020	Tourism accounts for almost 60% of all FX earnings and 40% of GDP	Underemployment rate rose from 22.7% to 36%	Women lead about 40% of MSMEs in Belize	Due to school closures, children who depend on school feeding programmes no longer had access to food
Reduction in government revenue by 4.5% in FY2020/21; increase in non-interest gov't exp'd by 2.% of GDP	Growth in the services industries fell by 17% in 2020, relative to 2019	Unemployment for men was 11.6% and 17% for women. Unemployment rate among those 14 to 24 years of age was 21.4%		Approximately 25% of households surveyed indicated skipping meals or reducing food intake as a result of the pandemic

## Belize – Socio-Economic Impacts and Challenges of COVID-19

# Responses across 5 Caribbean Countries

Country Responses to the COVID-19 Pandemic	Antigua and Barbuda	Belize	Dominica	Jamaica	Trinidad and Tobago
Increase in health spending					
Expansion of social safety net programmes					
Cash grants to groups such as farmers, tourism workers, cultural and creative industries and MSMEs					
Income support for heads of families and single persons who are currently unemployed					
Providing food vouchers and meals for vulnerable children					
Closure of Borders					
Curfews					
Restricting activities to only essential services					
Removal/Elimination of new taxes					
Reduction in utility bills					
Support to the private sector, including reduction in corporate tax rates					
Reduction in import duties in commodities related to COVID -19 and reducing the spread of the virus					
Loans from Multilaterals					
Grants from development partners					
Importation of labour to the health sector (from Cuba)					
Distribution of educational/computer devices to schools					
Increasing internet access and WIFI Hotspots etc					

# Some Specific Responses – Belize

## ○ The government introduced several measures including:

- A fiscal stimulus amounting to BZ\$25 million (1 percent of GDP) in 2020 to provide short term relief to employees, especially those in the tourism sector - more than 40,000 applications for unemployment relief were assessed
- Support to the healthcare sector financed with loans from bilateral and multilateral creditors
- Support to the unemployed 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:
  - reducing the statutory cash reserve requirements
  - 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
  - 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
  - reducing risk-weights for banks on loans in the tourism sector from 100 percent to 50 percent
  - reviewing financial institutions' business continuity and cybersecurity plans to ensure that an adequate level of financial services will be available to the public





# COVID-19 Recovery Plans and Related Opportunities for Belize

- Belize's Medium-Term Strategy 2021 – 2025 which includes the following overarching priorities:
  - Poverty reduction (including social protection)
  - Economic transformation
  - Citizen security
  - Protection of the environment
  - Eliminating corruption



# Session 2:

## menti.com – 1908 8729 (Code to Enter)

- **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?

# Session 3: menti.com – 3623 0564 (Code to Enter)

- Review the proposed initiatives and vote for the top 3 you believe are most critical for Belize to build forward stronger and equal

1st	New Approaches for Increasing Concessionary Financing
2nd	Budgetary Support and Debt Relief
3rd	Use of New and Innovative Financing Instruments and New Financing Modalities
4th	Fiscal Reprogramming
5th	Creating Shock Responsive Social Protection Systems
6th	Enhancing Digital Preparedness
7th	Transforming Current Economic Models
8th	Focusing on Sustainable Agriculture
9th	Rethinking the Role of Women and Women's Economic Empowerment in SD
10th	Investing in Comprehensive Disaster Risk Management, Disaster Risk Financing and Financial Protection
11th	Rethinking Agriculture and Food Security
12th	Transforming Education Models and the Education Sector