

2009 Country Poverty Assessment



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ACRONYMS

AAA	Alliance against AIDS
AHS	Average Household Size
AME	Adult Male Equivalent
ANDA	Association of National Agencies
ARI	Acute Respiratory Infection
(B)SSB	(Belize) Social Security Board
BACONGO	Belize Alliance of Conservation NGO's
BAHA	Belize Agricultural Health Authority
BBB	Belize Business Bureau
BCCI	Belize Chamber of Commerce and Industry
BCCI	Belize Council of Churches
BCFA	Belize Cane Farmers' Association
BCVI	Belize Council for the Visually Impaired
BDF	Belize Defence Force
BEST	Belize Enterprise for Sustainable Technology
BFC	Belize Family Court
BFLA	Belize Family Life Association
BLPA	Belize Livestock and Poultry Association
BMC	Borrowing Member Country
BNTF	Basic Needs Trust Fund
BPD	Belize Police Department
BPYCC	Belize Police Youth Cadet Corps
BRDP	Belize Rural Development Programme
BSI	Belize Sugar Industry
CARD	Community Initiated Agricultural Development Project
CARICOM	The Caribbean Community
CBB	Central Bank of Belize
CBO	Community Based Organisation
CCT	Conditional Cash Transfer (Programme)
CDB	Caribbean Development Bank
CFNI	Caribbean Food and Nutrition Institute
CFZ	Corozal Free Zone
CIDA	Canadian International Development Agency
CM	Community Meeting
COMPAR	Community Parent Empowerment Program
COPS	Citizens on Patrol
CPA	Country Poverty Assessment
CPI	Consumer Price Index

CPS	Child Protection Services
CRA	Compulsory Registration Areas
CRD	Community Rehabilitation Department
CS	Community Survey
CSEC	Caribbean Secondary Education Certificate
CVSS	Council for Voluntary Social Services
CYDP	Conscious Youth Development Programme
DARE	Drug Abuse Resistance Education
DDC	District Development Committee
DfID	Department for International Development
DFR	Draft Final Report
DHS	Department of Human Services (MHDST)
DVU	Domestic Violence Unit
DWP	Detailed Work Plan Report
ECCB	East Caribbean Central Bank
ECE	Early Childhood Education
EDF	European Development Fund
ESTAP	Economic and Social Technical Assistance Project
EU	European Union
FDI	Foreign Direct Investment
FGD	Focus Group Discussion
F(M)HH	Female (Male) Headed Household
FSS	Family Support Services
GATE	Garden-based Agriculture for Toledo's Environment
GDP	Gross Domestic Product
GEF	Global Environment Facility
GHR	Golden Haven Resthouse
GoB	Government of Belize
GPL	General Poverty Line
GST	General Sales Tax
GVA	Gross Value Added
HECOPAB	Health Education and Community Participation Bureau
HDI	Human Development Index
HFLE	Health & Family Life Education
HES	Household Expenditure Survey
HfP	Help for Progress
H'hold	Household
HIL	Household Indigence Line
HIPC	Highly Indebted Poor Countries
HIVOS	Humanist Institute for Development Cooperation

HoH	Head of Households
HOPE	Helping Older People Equally
HQI	Housing Quality Index
HRBA	Human Rights Based Approach
HSD	Human Services Department
I(A)DB	Inter American Development Bank
IA	Institutional Analysis
IMF	International Monetary Fund
ITVET	Institute for Technical and Vocational Education and Training
KIS	Key Informant Survey
LAC	Latin America and the Caribbean
LC	Local Co-ordinator (NAT)
LFS	Labour Force Survey
LMP	Land Management Project
LSD	Land Survey Department
LSMS	Living Standards Measurement Survey
M & E	Monitoring and Evaluation
MCH	Maternal and Child Health
MDG	Millennium Development Goal
MED	Ministry of Economic Development
MFB	Minimum Food Basket
MHDST	Ministry of Human Development and Social Transformation
MICS	Multi Indicator Cluster Survey
MNREI	Ministry of Natural Resources, Environment and Industry
MoEd(uc)	Ministry of Education
MOF	Ministry of Finance
MoH	Ministry of Health
MRDLG	Ministry of Rural Development and Local Government
MTR	Mid Term Review
N(D)AVCO	National (District) Association of Village Councils
NAC	National AIDS Commission
NAI	Non accidental injury
NAO	National Authorising Officer
NAT	National Assessment Team
NAVCO	National Association of Village Communities
NCA	National Council for Aging
NCD	Non-communicable Disease
NCFC	National Committee for Families and Children
NCP	Non-contributory Pension
nec	Not elsewhere classified

NEMO	National Emergency Management Organisation
NES	National Estates Section
NGO	Non Government Organisation
NHDAC	National Human Development Advisory Committee
NHIF(S)	National Health Insurance Fund (Scheme)
NOPCAN	National Organization for the Prevention of Child Abuse and Neglect
NPEAP	National Poverty Elimination Action Plan
NPES	National Poverty Elimination Strategy
NPESAP	National Poverty Elimination Strategy and Action Plan
OAS	Organization of American States
O & M	Operations and Maintenance
PACT	Protected Areas Conservation Trust
PAHO	Pan American Health Organisation
PCLC	Police Citizen Liaison Committees
PCP	Primary Care Provider
PCPEP	Police Crime Prevention Educational Programme
POA	Programme of Action
PoWeR	Parents Wrap-Around Rovers Programme
PPA	Participatory Poverty Assessment
PPU	Policy and Planning Unit
PRSP	Poverty Reduction Strategy Paper
PMU	Project Coordination Management Unit
PSE	Primary School Examination
PSIA	Poverty and Social Impact Analysis
PUP	The People's United Party
R & D	Research and Development
RCDO	Rural Community Development Officer
REAP	Rural Education and Agriculture Programme
SecAL	Sector Adjustment Loan
SIB	Statistical Institute of Belize
SICA	Central American Integration System
SIF	Social Investment Fund
SPAP	Southside Poverty Alleviation Project
TDC	Toledo Development Corporation
TOC	Team of Consultants
TOR	Terms of Reference
TW	Transect Walk
UDP	The United Democratic Party
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Program

UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund
UNIFEM	United Nations International Feminists Movement
UNPFA	United Nations Population Fund
VCT	Voluntary Counselling and Testing
VPL	Vulnerable to poverty line
VS	Village Survey
WB	World Bank
WD	Women's Department (MHDST)
WHO	World Health Organisation
WIN	Belize Women Issues Network
YEU	Youth Employment Unit
YFF	Youth for the Future
YMCA	Young Men's Christian Association
YWCA	Young Women's Christian Association
ZBLO	Zone Beat Liaison Officers Program

1 Introduction

1.1 *Background*

This study of poverty in Belize is one of a series of Country Poverty Assessments (CPAs) undertaken throughout the Caribbean since 1995 following the Caribbean Development Bank's (CDB's) decision to target more of the benefits from its development programme in the Borrowing Member Countries (BMCs) to the poor. To date, CPAs have been conducted in virtually every one of the 18 BMCs, the majority being executed by the CDB with financial assistance provided by the Department for International Development (DfID) of the United Kingdom, the Canadian International Development Agency (CIDA) and the United Nations Development Programme (UNDP). The World Bank and Inter American Development Bank (IADB) have financed the others. Belize is however exceptional in that it is the first country to have been subject to 3 CPAs. The previous CPAs were carried out in 1996 and 2002.

CPAs are being increasingly used by the CDB and other donor agencies as the framework for providing assistance, whether grant- or loan-based, for many of their interventions. In Dominica, the CPA provided the primary input to the formulation of the country's Poverty Reduction Strategy Paper (PRSP) and CPAs are currently being used in similar fashion in St Lucia and Antigua and Barbuda. Projects arising directly from CPAs have included Social Investment Funds (e.g. Belize, Jamaica, and Trinidad and Tobago), rural enterprise development projects (e.g. Belize, Dominica, Grenada and St. Lucia), human settlements projects (e.g. Belize and Grenada) and a Road Maintenance Study in Dominica. CPAs have also contributed to projects in the education, agriculture and health sectors.

CPAs also provide a tool for assessing countries' performance on the attainment of the Millennium Development Goals (MDGs), and especially MDG1 which relates to reducing severe poverty.

1.2 *CPA Objectives*

This Country Poverty Assessment (CPA) Report for Belize provides an examination of the economic and social conditions of the population of the country in 2009. The study has three primary objectives:

- To identify the extent, severity, characteristics and causes of poverty in Belize and hence the factors, such as economic and social policies, unemployment, and socio-cultural-legal characteristics, which contribute to the generation, exacerbation and reduction of poverty in the country.
- To evaluate the effectiveness of current policies and programmes of Government Agencies and Non-Governmental Organisations (NGOs) in terms of their impact on the poor and more disadvantaged groups of the population.

- To develop a Programme of Action which sets out strategies, policies and programmes to reduce poverty including some or all of the following: improvements in economic and social policy and programmes, changes to the institutional and legal frameworks, the identification of investment/ infrastructure projects, and strengthening of NGO activities.

1.3 CPA Methodology¹

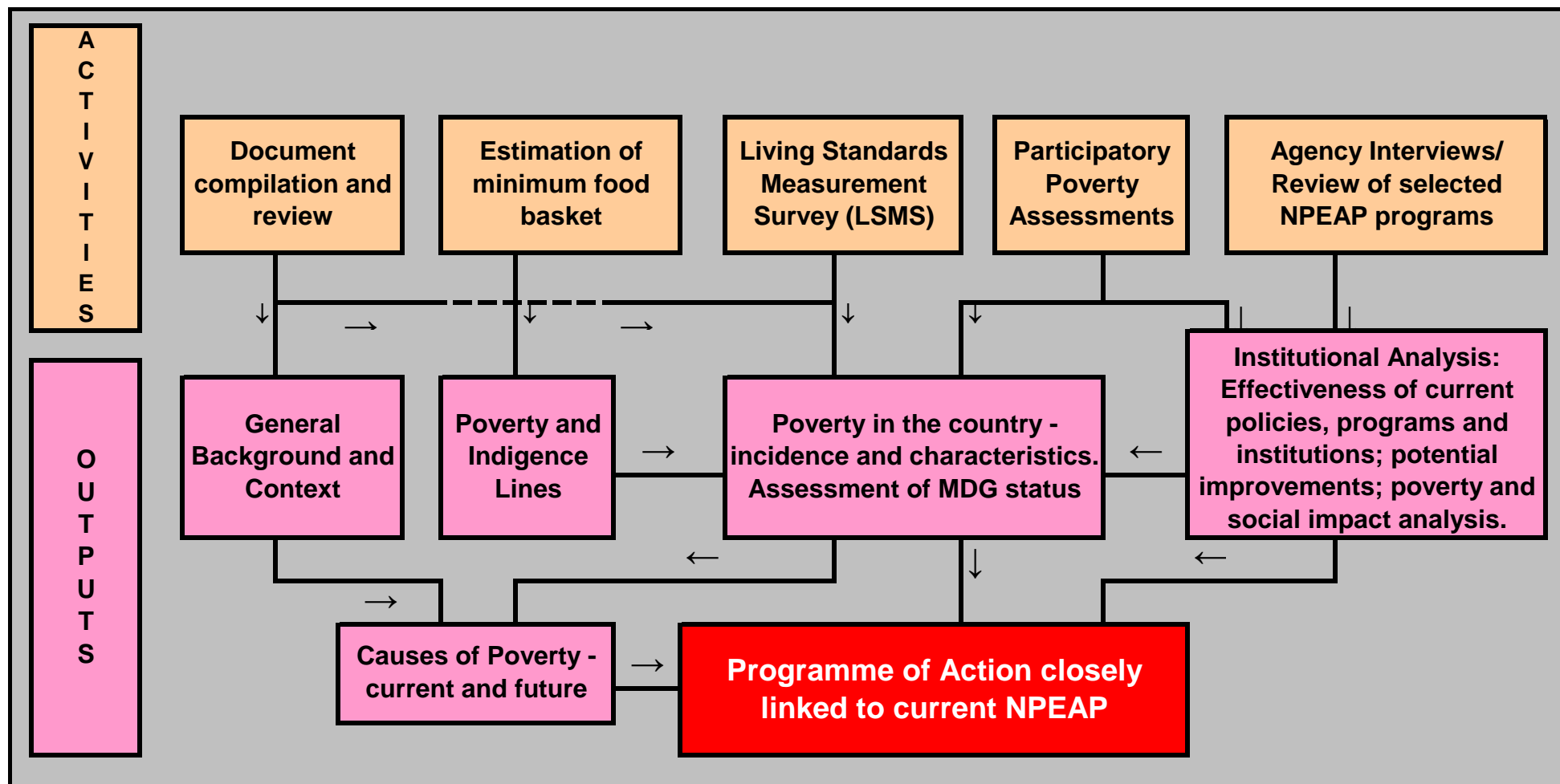
The CPA, in common, with previous studies, involved four principal components:

- A review of available reports, statistics and other data produced by government agencies and others. These are listed in the Appendix A, Bibliography.
- A Living Standards Measurement Survey (LSMS) carried out in over 2000 households in April and May 2009 by the Statistical Institute of Belize (SIB). The LSMS collected information on household expenditure and income, housing, labour force, education, disability and other characteristics germane to the analysis and assessment of poverty.
- A series of Participatory Poverty Assessments (PPAs) including Transect Walks, Key Informant Surveys, Focus Group Discussions, and Community Meetings undertaken in 17 selected communities and with 20 vulnerable groups (including unemployed youth, the elderly, single mothers, and people living with HIV/AIDS) across the country. This component focussed on issues related to the definition and causes of poverty, coping strategies, priority needs, assistance received from government and others, and suggestions as to how this assistance could be improved in the future. The PPAs were supplemented with a short form questionnaire which was administered to village leaders in around half the rural communities of the country, this questionnaire was designed to elicit information on changes in economic circumstances, provision of local infrastructure, government programmes and priority needs.
- An Institutional Analysis involving meetings and discussions with a wide range of government and non-government agencies involved in programmes related directly and indirectly to the reduction of poverty and the provision of assistance to vulnerable groups.

Figure 1.1 shows a simplified flow chart of the CPA methodology which links the abovementioned inputs to the main study outputs.

¹ More detailed descriptions of the methodology employed are contained in relevant Chapters and Volume 2.

Figure 1.1. The Relationship between CPA Activities and Outputs



NB. For the sake of clarity, neither detailed activities nor all the inter-relationships are shown.

1.4 CPA Study Organisation and Process

The CPA for Belize has been a joint undertaking of a National Assessment Team (NAT) including members from government agencies and NGOs (Table 1.1) and a Team of Consultants (ToC) appointed by the CDB. The ToC consisted of five experts, combining expertise in socio-economic and poverty assessment, statistical survey design and analysis, macro-economics and institutions, participatory techniques and surveys, and community development and land-use planning.

Table 1.1. National Assessment Team Membership

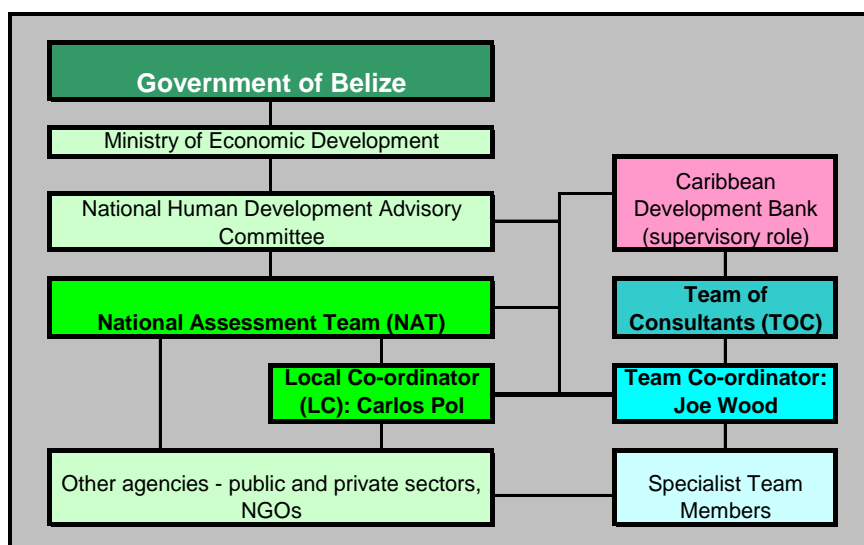
NAT Member	Organisation	Sector
Mr. Carlos Pol *	Policy Planning Unit, Ministry of Economic Development (PPU/ MED)	Government
Mr. Duane Belisle **		
Dr. Michael Rosberg	Galen University	Academia
Mr. Glenn Avilez	Statistics Institute of Belize (SIB)	Statutory body
Ms. Diane Hall	Ministry of Human Development and Social Transformation (MHDST)	Government
Dr. Ellajean Gillett	Ministry of Education (MoEd)	Government
Ms Michelle Vanzie	Ministry of Health (MoH)	Government
Mr. Ernest Banner	Ministry of Rural Development (MRD)	Government
Ms. Marta Hendriks/ Orlando Dawson	National Association of Village Councils (NAVCO)	Statutory body
Mr. Evan Dakers	VOICE	NGO
Mr. Elias Awe	Help for Progress	NGO
Ms. Kristine Blokhuis	UNDP	Donor agency
Mr. Fernando Molina	Belize Chamber of Commerce and Industry	Private sector
Ms. Carolyn Trench-Sandiford	People's United Party	Opposition political party
Dr. Phillip Castillo	University of Belize	Academia

* NAT Co-ordinator

** NAT Chairperson

Figure 1.2 shows the relationship among the NAT, the ToC, and other principal stakeholders. The NAT was responsible for the execution, processing, and part of the analysis of the LSMS, as well as the execution and initial analysis of the PPAs, the Village Survey, and several of the interviews for the Institutional Analysis. The ToC was responsible for several training workshops at which the objectives, CPA methodology, and key issues were discussed. Both groups contributed to the identification and compilation of relevant documents and statistics.

Figure 1.2. Study Organisation



The CPA was formally launched at a workshop attended by a wide range of stakeholders in Belize City on the 4th December, 2008. The launch followed an initial visit by the Team Leader in October at which a workshop and meetings were held with NAT members to explain and discuss the CPA's objectives, methodology, organization and process. Subsequent training workshops were held in January/ July and September 2009 (design and processing of LSMS), February 2009 (Institutional Analysis), April 2009 (training for the PPAs), and September 2009 (Poverty and Social Impact Analysis). All in-country visits by the ToC included briefings to the NAT on CPA progress, and discussions on CPA technical and procedural issues. The NAT also met on a monthly basis to discuss progress and issues of concern.

Initial drafts of most chapters of the report were submitted to the NAT between September and November 2009 while an early version of the Programme of Action was discussed at meetings with the NAT and other stakeholders in September 2009. A consolidated and complete Draft Final Report (DFR) version of the CPA was submitted to the NAT and CDB in December 2009 and this version provided the basis for the presentations and discussions held between the 11th and 22nd of January 2010. During this period, presentations were made to the NAT, the National Human Development Advisory Committee, international agencies², the media, stakeholders in the North, Centre and South of the country³. A briefing note on the DFR was also submitted to Cabinet. The presentations culminated in the National Consultation for stakeholders from government, NGOs and the private sector at which working groups discussed the recommendations contained in the Programme of Action. Comments from these presentations and discussions have been incorporated into this Draft Final Report version of the CPA along with written comments submitted by the CDB, the NAT, two independent reviewers⁴ and the World Bank. A pre-final draft was also subject to a final review by the NAT. This report therefore represents a general consensus of the views from a wide range of organisations and experts on the ways that poverty reduction in Belize can be made more effective and successful in the future.

² World Bank, UNDP, IDB, PAHO, Venezuelan and United States Embassies.

³ North: representatives from villages in Corozal and Orange Walk; Centre: Cayo and Belize; South: Stann Creek and Toledo.

⁴ Colin Williams, independent consultant and Denis Jones, Belize Enterprise for Sustainable Technology (BEST)

It should be emphasised that this report would not have been possible without the active support and very considerable efforts of all NAT members.

1.5 Report Structure

This Report is structured in three parts:

Part A. Study Context and Poverty in Belize

Chapter 2 provides a general overview of the historical, economic and social context of Belize as it affects current and potential future levels of poverty in the country.

Chapter 3 reviews current definitions of poverty and, drawing primarily on the findings of the Living Standards Measurement Survey (LSMS) undertaken for the study, describes the current extent of poverty in Belize, assesses poverty trends since 2002, and makes comparisons to poverty levels in other Caribbean countries.

Chapter 4, drawing on the results of the LSMS and the PPAs, provides an analysis of the characteristics and causes of poverty in Belize today. This Chapter also examines the difficulties currently faced by poor households in the country, the strategies they use to cope with these difficulties, their perceptions of the type and effectiveness of current assistance that they are receiving from government and others, and their views as to the priority interventions that are required.

Part B. Institutional Analysis (IA)

In Chapters 5-8 the results of the Institutional Analysis are presented with emphasis on existing government and non-government policies and programmes which affect, directly or indirectly, the poor and the vulnerable. These Chapters respectively look at current interventions in the economic (Chapter 5), social (Chapter 6) and infrastructure / housing sectors (Chapter 7).

Chapter 7 describes the results of the study's investigations into the issues affecting Belize City Southside and Toledo district, respectively the most concentrated areas of urban and rural poverty in the country.

Chapter 8 examines the current situation regarding the achievement of the Millennium Development Goals MDGs using the research from this study and a recent report prepared by the Belize MDG team.

Part C. Key Issues and Programme of Action

Chapter 9 provides a summary of the key issues arising from the preceding analyses, concentrating on the priority issues that need to be addressed and the lessons learned from previous and current policies, programmes and projects designed to reduce poverty in the country.

Chapter 10 presents the Programme of Action, i.e. the CPA's recommendations, and some concluding remarks.

Volume 2 of this Report contains supporting material, including fuller descriptions of the methodologies used to estimate the poverty lines, conduct the LSMS and carry out the PPAs, along with additional tabulations and analyses of the results from these surveys.

PART A. Study Context and Poverty in Belize

2 Country Overview

The objective of this overview is to provide the basic context for the CPA and to present basic background information on Belize, including its geography, history and social, cultural and economic characteristics.

2.1 *Geographical Setting*

Located on the Caribbean coast of Central America, Belize combines both Caribbean and Latin characteristics. The country spans over 22,966 sq km and as of 2009 had a population of around 330,000. The country shares its borders with Mexico in the North and Guatemala to the West and South; there is a small direct sea link to Honduras but no land border. The East is wholly bounded by the Caribbean Sea (Figure 2.1). The Belize Barrier Reef (the second longest barrier reef in the world) is located offshore and consists of over 120 offshore Cayes (islands), only a few of which are inhabited, and numerous lagoons; it is the centre of the country's main tourist industry based around diving and water sports.

The western border consists variously of lowland forest, highland plateau and the Maya mountains in the south. Most rivers rise in the west of the country and flow eastwards to the sea through low-lying, often swampy, coastal plains. About 60% of the country is covered by forest containing an abundance of fauna and flora. Larger scale agriculture, involving bananas, citrus and sugar cane, is concentrated in the low-lying areas; elsewhere most cultivation is small-scale and largely for subsistence. The Mayan population and rural Guatemalan migrants employ variations of slash-and-burn shifting cultivation.

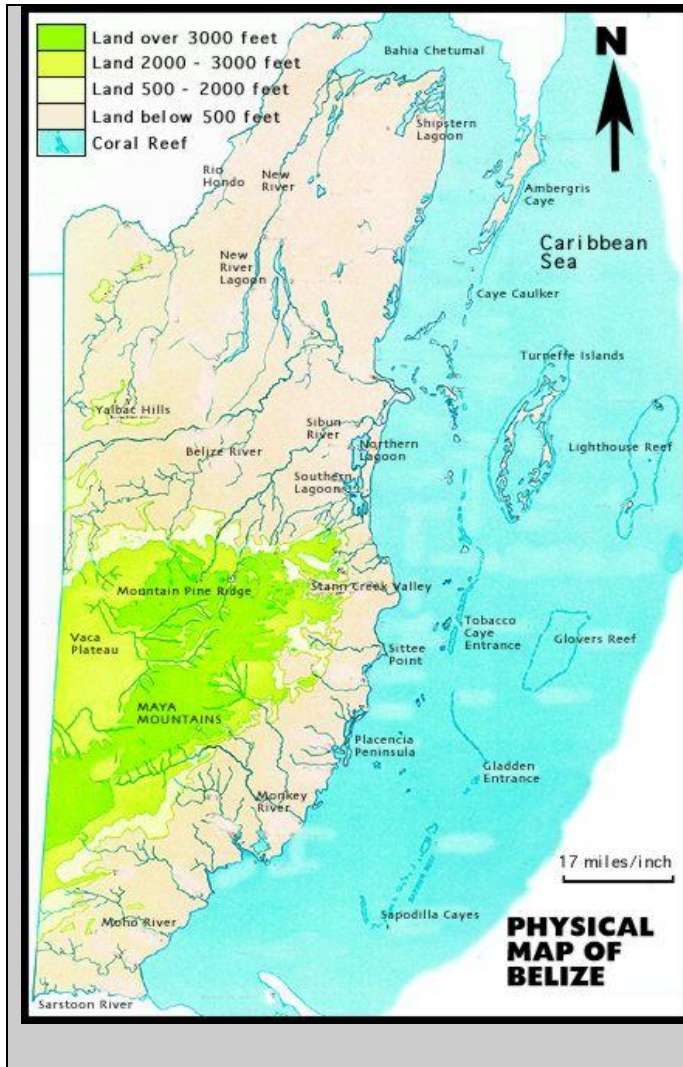
Belize is located in the hurricane belt and, on occasion, is badly affected by these. The most serious was Hurricane Hattie, which hit Belize City in 1961, caused over 400 deaths and left thousands homeless; almost half the city was destroyed. The devastation wrought by Hattie led to the establishment of a new administrative capital at Belmopan and the relocation settlement at Hattieville. More recently, in 2001, Hurricane Iris wrought severe damage to Placencia and other south coastal communities, and in July and October 2008, large parts of the country were ravaged by some of the severest flooding ever seen.⁵ Major bridges were destroyed, many were made homeless and parts of the country were cut off from each other; damage to property and crops was very severe. The areas worst affected were the Corozal, Orange Walk, Cayo districts, and settlements along the Belize River.

Administratively, Belize is split into six districts, which, from north to south, are Corozal, Orange Walk, Belize, Cayo, Stann Creek and Toledo (Figure 2.2). The northernmost district, Corozal has a common border with Mexico and is predominantly Mestizo⁶ and Spanish-speaking. The main economic activities are the cultivation of sugar cane and the Corozal Free Zone (CFZ) on the border with Mexico.

⁵ These resulted from heavy rainfall from tropical depressions rather than hurricanes.

⁶ Mestizo is the term commonly used in Belize to describe the Hispanic population.

Figure 2.1. Belize: Physical Characteristics



Source: <http://www.belize.net/html/maps/physicalmap.shtml>

Figure 2.2. Belize: Political Divisions



<http://ambergriscaye.com/pages/town/map1.html>

Orange Walk, immediately to the south is based around the town of the same name. Its economy is also dominated by sugar cane, although small scale agriculture prevails in the western areas and potatoes, onions and soy beans are grown for sale. Orange Walk contains several Mayan cultural sites, and like Corozal, it is predominantly Mestizo and Spanish-speaking.

Belize district is dominated by the city of Belize which contains around 20% of the country's population. Satellite settlements extend outward along the main roads but the district also contains several rural villages along the Belize River. The topography is almost entirely low-lying and often swampy. It has a major Mayan site at Altun Ha but the main tourist attractions are the Cayes where San Pedro is developing rapidly. Two thirds of the country's Creole population lives in this district.

Cayo is the largest district in terms of both area and population. It contains Belmopan, the administrative capital, as well as the twin towns of San Ignacio/ Santa Elena, and the large Mennonite enclave at Spanish Lookout. It also hosts several eco-tourism establishments aimed at capitalising on the largely unspoilt forest area populated by a wide range of plant, animal and bird species, and proximity to several important old Mayan sites, including Tikal across the border in Guatemala. The main road to Guatemala crosses this district at Benque.

Stann Creek, located further south along the coastline, includes the developing tourist settlement of Placencia, several Garifuna villages, notably Hopkins, as well as the larger town of Dangriga. The population is split approximately equally between the Creoles, Garifuna and Mestizo. It is the country's major producer of bananas and citrus fruits, mostly cultivated in large plantations. Several shrimp processing enterprises have been established in the coastal parts of the district.

Finally, Toledo, the southernmost district, is the centre of Belize's Mayan population. Villages here tend to be smaller and more dispersed than in the rest of the country, where many are located along the major roads. There are small concentrations of Garifuna and East Indians with the former mostly found in coastal villages. It produces significant proportions of the country's rice, corn and peas, almost entirely from small holdings. In the last few years, cacao production has increased substantially. Traditionally, Toledo has been the poorest district in the country, partly due to its peripheral location relative to the rest of the country's administrative, commercial and tourist centres.

2.2 *Historical Setting and Governance*

Archaeological evidence indicates that civilization in this part of the Mayan region dates back to the Prehistoric times (7500 BC to 2000 BC) through to early Maya (2000 BC to 250 AD), the Classic period (250 AD to 600 AD), the Terminal Classic (800 AD to 1000 AD), Post Classic (900 AD to 1521 AD), and the contemporary period. The extent of urban development, religious and cultural sophistication, advancement in astronomy and science by the Mayan civilisation continues to enthuse residents, scholars and tourists, while its demise still excites controversy and discussion.

The Spanish first arrived in numbers in the mid-1500s but their rule was never really consolidated, due to continual resistance by the Maya and incursions by pirates, usually British. British incursions became more frequent from the mid-1700s as settlements based on timber

increased. By this time, the Maya had been severely weakened by disease and depopulation and provided little resistance to the settlers. The Spaniards last serious attempt to gain control over Belize ended in a lost naval battle in 1798. From this time on, the British increased their control and formally declared the territory as a colony under the name of British Honduras in 1862. By this time the main export had shifted from logwood to mahogany. Investment increased throughout the second half of the century, with logging estates in the south along the Guatemalan border providing the initial impetus for renewed Mayan immigration into Toledo from that country. The Creoles had been arriving as slaves since the 18th century while the Garifuna arrived as refugees from colonial repression in St Vincent and the Grenadines in the early 1800s. The East Indians arrived later in the century as indentured labourers. Mestizos started moving into northern Belize from the mid-1800s, fleeing a vicious anti-European uprising by Maya in Yucatan. Conflict, often violent, between the Maya and the settlers continued until 1882 when British control was recognised.

The border dispute with Mexico and Guatemala also started in the 19th century. This dispute has its origins in the lack of clarity over borders and sovereignties when the Spanish and the British vied for supremacy in the region. Essentially, the British usurping of the Spanish led to the Spanish ceding control of Belize; however this was never formalised. When the Spanish left Central America, both Mexico and Guatemala claimed sovereignty over British Honduras. Mexico dropped the claim following a treaty with Britain, and Guatemala was willing to do likewise if the British had built a road from the border to the coast in the mid-1800s. The colonial government balked at the cost and the road was never built. The dispute continues to this day.

The colonial government began taking over moribund leases in the 1920s and 1930s when the demand for timber plummeted due to a world recession, leading to a near-collapse of the economy and widespread poverty. Partly as a result of these events, and learning from the nascent black-consciousness movement led by Marcus Garvey, this period saw the beginnings of the independence movement through the formation of trade unions.

Poverty was serious in the post-war period with high unemployment, poor housing conditions, malnutrition, and little health care. Devaluation of the Belize dollar in 1950 further worsened the situation and gave added impetus to the independence movement. Constitutional reforms were eventually initiated in 1954 and Belize was granted self-governing status with a new constitution in 1964; George Price, head of the People's United Party (PUP), became the country's first prime minister. Progress towards full independence was hampered by the continuing border dispute with Guatemala, as occasional threats of invasion – the first in 1948 followed by others in 1972 and 1977 – raised security concerns. Eventually, with support from Latin American counterparts and the United Nations (UN), Belize gained its full independence in 1981 with George Price still at the helm.

Despite several and varied international interventions, most notably in 1993 when an agreement to resolve the border dispute was cancelled by the incoming government, the border dispute continued to fester; Guatemala never recognised Belize's independence. More recently, efforts to resolve the dispute have intensified. In late 2008, Belize and Guatemala signed an agreement that goes some way to finding a permanent solution by agreeing to refer the issue to the International Commission of Jurists to decide. This agreement, however, needs to be ratified by national

referenda in both countries. At present, no dates have been fixed for these referenda⁷. Meanwhile, legal and illegal links between the two countries gradually increase through immigration (especially in the 1980s due to civil unrest in Guatemala), cross-border trade and tourism.

2.3 Governance

The 1964 constitution established Belize as a parliamentary democracy, which it remains to this day. The system is very similar to that of England, where the Prime Minister is the head of the National Assembly that makes the laws that the government, which has the executive powers, then implements. The National Assembly is bicameral: the House of (31) elected representatives makes the laws which are then debated, and sent to the Senate who can either approve or send back to the National Assembly for further discussion. The Senate consists of 12 members appointed by the Governor General on the advice of the Prime Minister, the Leader of the Opposition, and other groups⁸. The Governor General is the representative of the Queen of England, who remains the head of state.

Although there are a number of political parties, Belizean politics is dominated by just two: the People's United Party (PUP) and the United Democratic Party (UDP). The PUP prevailed in all elections up to 1984 when it lost for the first time to the UDP. Since then power has changed hands at every single election except that of 2003 when the PUP was re-elected; discontent, however, soon followed in 2005 when the government raised taxes and issues relating to corruption started coming to the surface. The current government is the UDP, headed by Dean Barrow, which came to power in February 2008. Many of these elections have been heavily dominated by either the UDP or the PUP, implying a degree of vicariousness by the electorate, whose allegiance reflects more the direct benefits which could be brought by a party rather than major differences in the political ethos of each party.

At local level, Belize operates a system of city councils (Belize City and Belmopan), town boards (other towns) and village councils, all of which are run by elected officials. Increasingly, the main political parties are campaigning for control of these entities.

2.4 International Memberships and Treaties

Belize is a Member State of all major international organizations including the United Nations, the Organization of American States, the World Trade Organization, the Commonwealth of Nations and the group of Africa, Pacific and Caribbean countries. Belize is also a full member of two integration movements: the Caribbean Community (CARICOM) and the Central American Integration System (SICA). Participation in CARICOM and SICA is reflective of Belize's historical and cultural links with other English-speaking Caribbean countries as well as its geographic location in Central America respectively. Membership of the ACP allows Belize to

⁷ The Guatemalan referendum is likely to be more problematic as it requires the abandonment of their claim to Belize's territory.

⁸ The Belize Council of Churches and Evangelical Association of Churches; the Belize Chamber of Commerce & Industry and Belize Business Bureau; the National Trade Union Congress and Civil Society Steering Committee.

access aid initiative funded by the European Union which seeks to reduce the adverse impact of the withdrawal (or reductions) of preferential access arrangements for its agricultural products resulting from World Trade Organization rules and changing EU Policy.

Belize is a signatory to most international conventions related to human rights issues (Box 2.1).

Box 2.1. Ratification of Human Rights Treaties and Conventions

International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families	2001
Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime.	2003
Convention relating to the Status of Refugees.	1990
International Convention on the Elimination of All Forms of Racial Discrimination.	2001
International Covenant on Civil and Political Rights.	1996
International Covenant on Economic, Social and Cultural Rights.	2000
Convention on the Elimination of All Forms of Discrimination against Women.	1990
Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.	1986
Convention on the Rights of the Child.	1990

Source: http://hdrstats.undp.org/en/countries/data_sheets/cty_ds_BLZ.html

2.5 Population and Households

2.5.1 Population Growth

The population of Belize has been increasing gradually over the past three decades. In 2009, the population of Belize is estimated to be 333,200 compared with 240,204 in 2000, 189,392 in 1991, and 145,353 in 1980 (see Table 2.1). The annual rate of growth has also been increasing: from 2% during the seventies, around 2.5% in the eighties and nineties, to 3.7% over the past nine years⁹.

Table 2.1 Population Growth in Belize, 1980 to 2009

Year	Population	Annual Average Change	
		Numbers	Percent
1980	145,353	2,542	na
1991	189,392	4,004	2.4%
2000	240,204	5,646	2.7%
2009	333,200	9,300	3.7%

Sources: 1980, 1991 and 2000 Census of Belize and estimates from Statistical Institute of Belize (SIB)

⁹ This section is based on population estimates. An accurate assessment of Belize's current population and growth trends will only be available once the results of the 2010 Census become known later in 2010.

Growth has not, however, been evenly spread across the country (see Table 2.2). Corozal, on the border with Mexico, continues to show the slowest rate of growth, with an average of 1.5% per year, while the fastest growing districts were Cayo, which includes Belmopan the administrative capital and universities, and Belize, which contains Belize City, the country's largest city and commercial centre. These were the only districts to have growth rates above the national average over the past 9 years. As a result, these two districts now account for over half the population in the country.

Table 2.2 Population Growth and Distribution by District 1991 to 2009

District	Percentage Increase		Percentage distribution		
	1991 - 2000	2000 - 09	1991	2000	2009
Corozal	15	14	15	14	11
Orange Walk	27	26	16	16	15
Belize	20	46	30	28	30
Cayo	39	52	20	22	24
Stann Creek	36	30	10	10	10
Toledo	34	32	9	10	9
Country	27	37	100	100	100

Sources: 1991 and 2000 Census of Belize and 2009 LSMS

The change in the population is affected by the natural increase (births minus deaths), and by migration both between districts and into and out of the country. Table 2.3 shows that the crude birth rate has declined from 2.9% in 2005 to 2.2% in 2008 as a result of decreasing fertility (which is a worldwide trend). In contrast, crude death rates have declined slowly but steadily over a number of years and now stand at 0.5% to 0.4% nationally. In consequence, there has been a decrease in the rate of natural increase.

These trends have, with the partial exception of Corozal, affected all districts, but the decline in birth rates has been particularly marked in Toledo, which was at a high of 3.1% in 2005 but is now lower than the national average.

The migration rate is given by the difference between the overall population growth rate and the rate of natural increase. The sharp decline in birth rates since 2005 means that migration in 2008 accounted for almost half the overall population growth rate compared to around a quarter in 2006. District-wise, patterns reflect the overall pattern of population growth: highest in Cayo and Belize and lowest in Orange Walk and Corozal.

Table 2.3 Components of Population Growth, 2005 to 2008

Area	Crude Birth Rates (%)				Crude Death Rates (%)			
	2005	2006	2007	2008	2005	2006	2007	2008
Belize	2.9	2.4	2.3	2.2	0.5	0.5	0.4	0.4
	Rate of Natural Increase				Migration Rate*			
Belize	2.4	1.9	1.8	1.8	0.9	0.8	1.4	1.5

*Essentially the difference between the overall population growth rate and the rate of natural increase. Source: Abstract of Statistics 2008.

2.5.2 Immigration and Emigration

About one fifth of heads of households were not born in Belize. The comparable figure in 2000 was around 15%, indicating that immigration has increased in the last 9 years. Over 60% came from Guatemala and El Salvador and another 19% come from Mexico and Honduras; the remainder have geographically diverse origins. These proportions have shifted in recent years, with arrivals in the last 10 years being more evenly split between El Salvador, Guatemala and Honduras and the rest of the world (Table 2.4). The principal new trends are the increased numbers of North Americans living in the country and the emergence of Chinese immigration in the last 3 years. However, many North Americans are likely to be temporary residents on fixed-term contracts and will thus not contribute significantly to overall population growth. This is much less likely to be the case with Guatemalans, Hondurans and other Latin Americans as well as the Chinese, who more likely see Belize as a much longer term place of residence.

Table 2.4. Origin of Immigrant Household Heads

ORIGIN (% by country)	Born outside Belize (%)	Arrived in last 10 years (%)	Arrived in last 3 years* (%)
El Salvador	21	10	9
Guatemala	40	28	21
Honduras	12	18	11
Mexico	7	1	3
USA/ Canada/ Europe	7	11	23**
Other(e.g. Caribbean, Asia, Africa)	13	33	33***
Total	100	100	100
Foreign Born	20	5	
Belize Born	80	na	
Total	100		

* From work permit data.

** Includes Canadians.

*** Of which: 11 % Latin America/ Caribbean and 7% Chinese.

Source: LSMS; Labour Department.

Table 2.5 shows that Cayo (35%) and Stann Creek (23%) are the districts with the highest proportions of foreign-born households. Nationally, only 5% of households have arrived in the last 10 years¹⁰; again Stann Creek is the district with the highest representation at over 10%. Likely reasons are the growth of foreign residents in and around Placencia and immigrants attracted by the work opportunities in the banana and citrus industries.

The distribution of migrant households across the country is, however, somewhat different. Around 60% of all foreign-born households live in Cayo and Belize districts and 24% in the two southern districts. There has been much less immigration to the northern districts, a conclusion which is corroborated by the location of recent arrivals. Fewer than 10% have settled in the north compared with 55% in Cayo and Belize; around a quarter have settled in Stann Creek. This confirms the analysis of the population data that the central districts are the ones that are growing fastest.

¹⁰ This figure underestimates total immigration as it excludes immigrants housed in existing households.

Table 2.5. Foreign-Born Household Heads by District of Residence, 2009

ORIGIN	Belize	Cayo	Corozal	Orange Walk	Stann Creek	Toledo	Total
Foreign-born (% of ALL H'holds)	13	35	11	17	23	27	20
New Arrivals* (% of ALL H'holds)	4	6	1	3	11	6	5
Foreign-born (as % of all Foreign-born)	21	38	6	12	14	10	100
New Arrivals (as % of all New arrivals)	28	27	2	7	27	10	100

* In last 10 years.

Emigration of Belizeans, predominantly to the USA, has occurred since the 1950s and increased in subsequent decades. Census data for 2000 and 1991, however, reveals a sharp decline in the level of emigration as immigration restrictions in destination countries continue to be tightened¹¹. In 1988, 65,000 Belizeans were estimated to be living in the USA. By 2000, the number had increased to around 160,000, equivalent to over half the population resident in Belize at that time. The prime motivation for emigration, as in other countries, has been the restricted job opportunities at home¹²; it thus represents one of the classic coping strategies to deal with poverty while remittances provide a safety net for family members staying in Belize.

The search for job opportunities is also evident in current immigration to Belize. Previously however, civil disorder, especially in Guatemala, was also a primary cause. Thankfully, this factor has not affected emigration.

2.5.3 *Ethnicity*

Table 2.6 provides information on the ethnic distribution of Belize's population.

There are 4 main ethnic groups in Belize. The most prevalent are the Mestizo, who constitute almost half of the population. Northern Belize is home to the largest Mestizo population in Belize, where they constitute over three-quarters of the population. The second largest group comprises the Creoles, who used to be the largest group at 60% of the population, but who now only account for 27% as a result of continued Mestizo immigration. The Creoles are the predominant group in Belize district, where they account for over half the population.

The two other main groups are the Maya and the Garifuna. The Maya were the first known inhabitants of Belize. They now represent around 11% of the population. They remain the dominant group in Toledo at just under 70% of the population. The Garifuna are the smallest of the four main ethnic groups that make up Belizean society and their representation has increased slightly from 6% in 2000 to 7% in 2009. Their main home is Stann Creek, where they now represent over 40% of the population, compared to 30% in 2000; this shift is due to the

¹¹ Data on 3000 emigrants were collected in 1991 compared to around 2,200 in 2000. (SIB, Census 2000 Report).

¹² For a detailed analysis of Belizean emigration, see Straughan J., no date, *Emigration from Belize since 1981*; http://www.uvm.edu/~gflomenh/Belize-projects/articles/Straughan_Emigration_final_1_ref.doc

immigration of some Garifuna from Honduras and outmigration of Mestizos, whose share in this district has decreased from 30% to 20%, and Maya, whose share is down from 12% to 7%.

The 'Other' category includes small concentrations of Mennonites, East Indians, Chinese and Europeans. The Mennonites are found in Orange Walk and Cayo, while the East Indians are almost exclusively found in small villages in Toledo. The Chinese, mostly recent arrivals, have located in the larger urban centres.

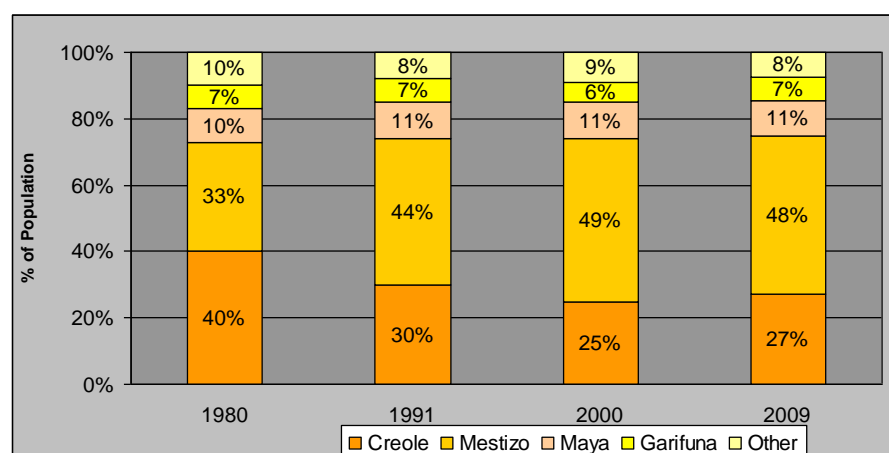
Table 2.6. Distribution of Ethnic Groups within Districts, 2000 and 2009

District	Year	Creole	Garifuna	Maya	Mestizo	Other	Total
		Percentage of Population in each district					
Belize	2000	61.2	6.4	1.0	21.7	9.7	100.0
	2009	56.6	6.9	1.7	30.0	4.9	100.0
Cayo	2000	18.2	1.5	7.1	63.7	9.5	100.0
	2009	21.2	0.8	5.8	64.6	7.5	100.0
Corozal	2000	7.1	1.0	2.9	76.0	13.0	100.0
	2009	8.2	1.3	5.6	69.8	15.1	100.0
Orange Walk	2000	6.8	1.0	3.2	77.0	12.0	100.0
	2009	5.1	0.7	5.1	79.6	9.6	100.0
Stann Creek	2000	21.3	31.0	11.9	30.2	5.6	100.0
	2009	25.5	42.9	6.9	21.1	3.6	100.0
Toledo	2000	5.3	6.7	65.4	14.6	8.0	100.0
	2009	5.5	3.9	69.4	12.1	9.1	100.0
Country	2000	24.9	6.1	10.6	48.7	9.7	100.0
	2009	27.0	7.1	10.5	47.8	7.7	100.0

Sources: 2000 Census of Belize and 2009 LSMS.

Figure 2.2 shows the dramatic shift in the ethnic composition of Belize's population between 1980 and 2000.

Figure 2.2. Population by Ethnicity, 2000 and 2009



Sources: 2000 Census of Belize and 2009 LSMS.

The Mestizos now constitute almost half the population compared with a third in 1980 while the Creoles now make up little more than a quarter of the population compared with 40% in 1980.

This major shift results from a combination of emigration (mostly to the USA) by the Creoles and Mestizo immigration from neighbouring countries, especially during the 1980s when there was civil unrest in Guatemala. These shares have however changed little since 2000 implying that both immigration and emigration flows have decreased considerably.

2.5.4 Urbanisation

Belize is becoming increasingly urbanised (Table 2.7), although the long-term trend has not been regular or particularly rapid. Between 1980 and 2000, the level of urbanisation actually declined from 52% to 45% as a result of large scale migration to rural areas from neighbouring countries. Since 2000, this trend has been reversed, so that now over half the population again lives in urban areas. Given the world-wide trend of increased urbanisation and the fact that Belize remains one of the least urbanised countries amongst Latin American and Caribbean countries, this trend is likely to continue.

Table 2.7. Urbanisation, 1980 to 2009

Population	1980	1991	2000	2009
Urban (%)	52.5	47.0	45.3	51.1
Rural (%)	47.5	53.0	54.7	48.9
All	100.0	100.0	100.0	100.0
District Urbanisation Levels (urban as % of district population)				
Corozal	30	23	24	26
Orange Walk	37	36	35	37
Belize	81	81	78	78
Cayo	48	43	51	53
Stann Creek	47	36	34	45
Toledo	20	19	18	18

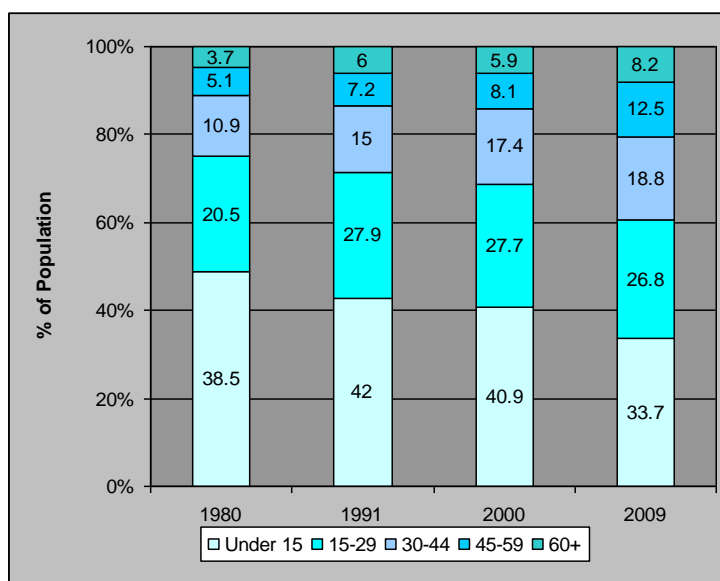
Source: Statistical Abstract and LSMS (2009).

Urbanisation levels for each district vary widely from the highly urbanised Belize District to the very rural Toledo. Interestingly, urbanisation levels have remained virtually unchanged in both these districts, although they have risen slightly elsewhere. In Belize, given that San Pedro town has expanded rapidly, the implication is that there has been little change in the population of Belize City itself. The largest change has been in Stann Creek, where Placencia has grown significantly, and further growth has also occurred in Dangriga. The data is not however consistent with urbanisation appearing as decreasing between 1980 and 2000; a more accurate assessment will be possible once the 2010 Census results are published.

2.5.5 Age and Sex Structure

Figure 2.3 shows how the age structure of the population has changed since 1980. The most dramatic change has been in the decrease in the proportion of children aged under 15 years, from over 40% in 2000 to 34% today as a result of declining fertility. Although there has been little change in the 15-44 years age groups, the proportion of over-45s has increased from 14% to 21% of the population. Furthermore, the elderly now constitute over 8% of the population, compared with under 6% in 2000. The population is thus ageing, as is corroborated by the increase in the mean age of the population from 22 years to 27 years.

Figure 2.3. Changes in Age Structure, 1980 to 2009



Sources: 1980, 1991 and 2000 Census of Belize and 2009 LSMS.

Dependency ratios are a measure of how much the non-working age population is dependent upon the working age population (15 to 64 years). The overall ratio can be divided into the child (0 to 14 years) dependency ratio and the old age (65 and over) dependency ratio. The overall dependency ratio has declined dramatically over the past 7 years from 81% in 2002 to 66% in 2009 (Table 2.8). The primary reason for this decline is the reduction of the child dependency ratio, which declined from 73% in 2002 to 56% in 2009¹³.

Table 2.8. Dependency Ratios for Belize, 1991 to 2009

Year	Overall	Child	Old Age
1991	93*	85	8
2002	81	73	8
2009	66	56	10

* Numbers are ratios of dependents to population aged 15-64 years.

2.5.6 Households

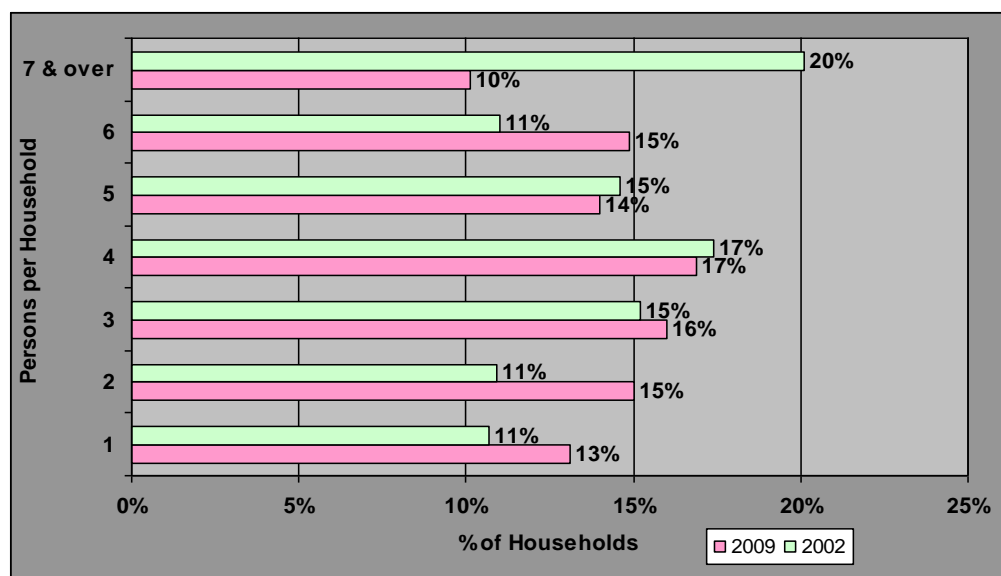
Household formation during the first decade of this century has been at a much higher rate than over the previous decade. Between 2000 and 2009 the estimated increase in households was almost 28,000 compared to the previous nine years when the increase was 12,500. This rapid increase was due to a decline in average household size from 4.7 in 1991 to 4.5 in 2002 and just 4 persons in 2009. Average household sizes are declining worldwide as fertility decreases and extended households are replaced by nuclear families. Another contributory factor could be a continued immigration by persons who tend to arrive as single adults or smaller family units. In consequence, there has been a significant increase in the proportion of people living in 1- or 2-

¹³ This in turn is caused by declining fertility - a worldwide trend - and which also affects household size.

person households (from 23% in 2002 to 28% in 2009) and a corresponding decrease in the proportion of large (7+ persons) households from 20% in 2002 to only 10% today (Figure 2.4).

The other notable trend is the increase in the proportion of female-headed households from 27% in 2002 to 30% in 2009. This could indicate an increased incidence of women bringing up children without male financial or emotional assistance. Given the importance of this issue, it will be examined in more detail in Chapter 4.

Figure 2.4. Distribution of Households by Size, 2002 and 2009



Source: 2002 CPA and LSMS.

2.5.7 Implications for the CPA

The main implications for the CPA which arise from population and demographic characteristics are:

- Immigration is likely to continue, which will increase the demand for physical and social infrastructure even if the birth rate continues to decrease.
- The urbanization will continue, but at a relatively slow rate, posing increased problems for municipalities to provide adequate housing, land and services.
- Declining household size, which means that the number of households will increase at a faster rate than population, means that the demand for housing and developable land will increase.
- The population will continue to age, which, allied to increasing life expectancy and the continued erosion of family support networks, will create an increased demand for social and health services for this group.

2.6 *Economy*

2.6.1 *Gross Domestic Product*

The economy of Belize is multi-faceted, with major sectors being agriculture (citrus, sugar, bananas), fisheries, manufacturing (including petroleum) and tourism, as well as the financial and trade infrastructure (tertiary sector). The general structure of the economy is illustrated in Tables 2.9-11. Table 2.9 shows the distribution of GDP by activity. While Table 2.10 shows that Belize's economy is primarily based on services which account for over half of GDP with agriculture now accounting for little over 10% of GDP. The share of secondary industries has increased since 2005 with the exploitation of oil reserves. This is the major structural shift since 2001.

Table 2.11 gives a more detailed sectoral breakdown of the economy. The primary sector has seen several major year-on-year changes in this decade; as shown in Table 2.11, Gross Value Added (GVA) from fishing fell by 57% in 2007, and agriculture has had annual changes ranging from +11.9% to -10.2%. Another sub-sector showing significant year-on-year changes is electricity and water which increased by over 40% between 2005 and 2006 (although it represents under 0.5% of GDP).

Table 2.9. GDP by Activity

	\$mn				
	2004	2005	2006	2007	2008
GDP at current market prices	2,110.4	2,229.6	2,426.2	2,553.5	2,773.4
GDP at constant 2000 market prices	2,099.5	2,163.1	2,263.8	2,291.3	2,339.0
Primary Industries	371.4	382.4	358.1	283.9	256.6
Agriculture, hunting & forestry	237.6	235.5	233.7	230.4	207.0
Fishing	133.8	146.9	124.4	53.5	49.6
Secondary Industries	326.6	315.9	395.8	404.9	463.4
Manufacturing (incl. mining and quarrying)	187.5	179.9	234.8	243.8	275.6
Electricity & Water	64.3	64.0	90.4	92.6	95.2
Construction	74.7	72.0	70.6	68.5	92.6
Tertiary Industries	1,113.0	1,172.7	1,192.5	1,250.1	1,285.8
Wholesale & retail trade	306.1	322.6	326.6	331.7	343.9
Hotels & restaurants	84.4	88.1	87.5	92.0	89.3
Transport & Communications	201.1	218.8	226.4	256.0	268.7
Other Private Services excl. FISIM	326.2	345.1	364.3	373.8	382.4
Producers of Government Services	195.3	198.0	187.7	196.6	201.5
All Industries at basic prices	1,810.5	1,878.0	1,955.4	1,949.4	2,005.8
Taxes less subsidies on products	289.0	285.1	308.3	337.2	333.2

NB. FISIM = Financial Intermediation Services Indirectly Measured.

Source for Tables 2.9-2.11: Central Bank of Belize, 2009, *2008 Annual Report*, Table A.1.

Table 2.10. Percentage Contribution to GDP by Sector

Sectoral Distribution of Constant 2000 GDP (%)								
Primary Activities	14.4	13.3	16.9	18.1	18.1	16.2	12.8	11.0
Secondary Activities	17.2	17.2	15.2	15.1	14.6	17.5	17.7	19.8
Services	57.6	55.2	53.7	57.8	58.7	57.5	59.9	55.0

Table 2.11. Annual Percentage Change in GDP by Activity

	Percent				
	2004	2005	2006	2007	2008
GDP at current market prices	6.8%	5.6%	8.8%	5.2%	8.6%
GDP at constant 2000 market prices	4.6%	3.0%	4.7%	1.2%	2.1%
Primary Industries	9.5%	3.0%	-6.4%	-20.7%	-9.6%
Agriculture, hunting & forestry	11.9%	-0.9%	-0.8%	-1.4%	-10.2%
Fishing	5.5%	9.8%	-15.3%	-57.0%	-7.4%
Secondary Industries	7.2%	-3.3%	25.3%	2.3%	14.4%
Manufacturing (incl. mining and quarrying)	11.8%	-4.1%	30.5%	3.8%	13.0%
Electricity & Water	-1.5%	-0.5%	41.3%	2.4%	2.8%
Construction	4.6%	-3.6%	-2.0%	-3.0%	35.2%
Tertiary Industries	3.2%	5.4%	1.7%	4.8%	2.9%
Wholesale & retail trade	-0.1%	5.4%	1.2%	1.6%	3.7%
Hotels & restaurants	8.3%	4.5%	-0.7%	5.1%	-3%
Transport & Communications	5.0%	8.8%	3.5%	13.1%	-4.9%
Other Private Services excl. FISIM	5.3%	5.8%	5.6%	2.6%	2.3%
Producers of Government Services	1.3%	1.4%	-5.2%	4.7%	2.5%
All Industries at basic prices	5.2%	3.7%	4.1%	-0.3%	2.9%
Taxes less subsidies on products	1.4%	-1.3%	8.1%	9.4%	-1.2%

As noted by the CBB, “GDP growth accelerated slightly to 2.1% in 2008 notwithstanding a deepening global financial crisis and extensive damage from floods in June and October. The main impetus came from the secondary sector as marked expansions in construction activity and petroleum extraction more than compensated for the halt in Williamson factory’s garment export production. A positive contribution came from the tertiary sector with a contraction in ‘hotels and restaurants’ being outweighed by continued buoyancy in ‘transport and communications’ and distributive trade. Meanwhile, output from the primary sector experienced a decline as floods and disease took its toll on the agricultural sector and the contribution from fishing fell as a result of reduced production of farmed shrimp.”

Such gyrations are not unexpected. Belize is a small country where a major public sector infrastructure project or a new private sector development will be reflected in annual GDP sector changes. As well, many of Belize’s products (citrus, fish, tourism) are internationally traded with prices set by major producing and consuming countries, leaving smaller economies vulnerable to events not of their making. Similarly, industrial inputs and consumer goods must be purchased from abroad. Finally, Belize is subject to natural disasters in the form of hurricanes and lesser, but none-the-less damaging, tropical storms.

As shown in Table 2.12, GDP/capita in constant dollars over the ten year period 1999-2008 has increased by around 30%. However, this 10-year average masks the overall stagnation that has occurred in the last 5 years. Between 2003 and 2008, real GDP per capita barely increased (Figure 2.5). Given that population is increasing by over 3% annually, the economy will need to increase by at least 3% if real GDP per capita is not to decrease. Current information is also that the economy will contract in 2009, leading to a significant decline in per capita income¹⁴.

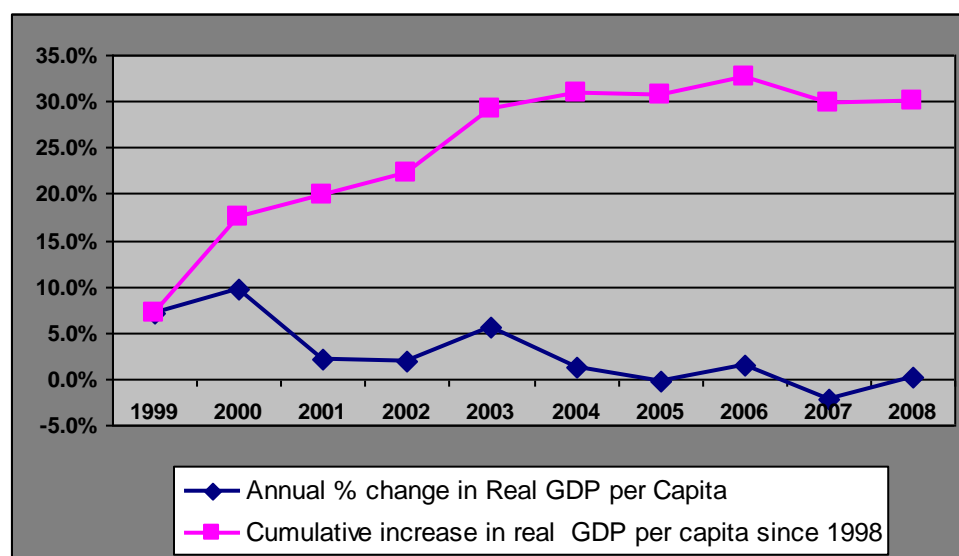
¹⁴ Prime Minister’s press conference 30 October 2009, <http://www.7newsbelize.com/index.php#story1>

Table 2.12. GDP per Capita, 1998-2008

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	Estimated 2008	
GDP/capita, current \$	\$5,766	\$6,029	\$6,656	\$6,786	\$7,038	\$7,212	\$7,466	\$7,637	\$8,060	\$8,212	\$8,631	
GDP/capita, constant \$	\$5,661	\$6,058	\$6,652	\$6,794	\$6,925	\$7,321	\$7,417	\$7,404	\$7,518	\$7,363	\$7,372	
Population	239,000	243,000	250,000	257,000	265,000	274,000	283,000	292,000	301,000	311,000	320,000	
<u>Annual Increases:</u>											<u>10 Year Change</u>	
GDP/capita, current \$		4.6%	10.4%	2.0%	3.7%	2.5%	3.5%	2.3%	5.5%	1.9%	5.1%	49.7%
GDP/capita, constant \$		7.0%	9.8%	2.1%	1.9%	5.7%	1.3%	-0.2%	1.5%	-2.1%	0.1%	30.2%
Population		1.7%	2.9%	2.8%	3.1%	3.4%	3.3%	3.2%	3.1%	3.3%	2.9%	33.9%

Source: International Monetary Fund, World Economic Outlook Database, April 2009

Figure 2.5. Changes in Real GDP per Capita, 1998-2008



Source: Preceding Table.

2.6.2 International Comparisons

The Belizean economy is also understandable within its geo-political context. It has land borders with Mexico and Guatemala, and is a member of the Central American Integration System (SICA). However, it also shares the British colonial connection with the English-speaking Caribbean through its history and membership both in the Caribbean Community (CARICOM) and the Commonwealth, the latter comprising mainly former British colonies. Selected economic indicators for Belize and its neighbours are presented in Table 2.13.

These 2007 and 2008 economic indicators show Belize to be growing more slowly than its neighbours, although its gross national income per capita is in the middle of the range and inflation is more under control in Belize than in these neighbouring states. Nevertheless, in 2008

the country experienced “surging prices for fuel and food... [the latter] up 13.3% mostly due to the rising cost of staples such as rice, flour, bread, milk, cooking oil, eggs and whole chicken” (CBB 2008: page 1).

The global economic recession in 2008 and 2009 is being felt among Belize’s Caribbean neighbours. Decreased tourism will constrain growth and employment in the Caribbean islands. Among its Central American neighbours, economies continued growing for a “sixth consecutive year...spurred by exports and private consumption and supported by inflows of family remittances ... The unemployment rate held steady with the continuation of various private and public sector projects. (CBB 2008: page 10).

As noted by the International Monetary Fund in 2008, “real GDP growth [in Belize] has been boosted by new oil discoveries and inflation remains low. The debt restructuring of 2007 has eased liquidity pressures on the budget and external reserves” (IMF 2008). IMF moved on to note the vulnerability of the Belize economy to natural disasters and business failures, noting that “the economy is estimated to have slowed last year [2007], reflecting the impact of Hurricane Dean on tourism and agriculture, a partial closure of a garment factory, bankruptcy in the aquaculture industry and a levelling off in oil production.”¹⁵.

Table 2.13. Regional Economic Indicators

Selected Indicators for Neighbouring Countries

	GDP Growth Rate		Inflation Rate		GNI/Capita*	
	2007	2008	2007	2008	2007	2008
Barbados	3.3%	0.7%	4.0%	8.1%	\$ 16,140	na
OECS	5.3%	3.1%	6.1%	na		
Trinidad & Tobago	5.5%	3.5%	7.9%	12.0%	\$ 22,490	\$ 23,950
Belize	1.2%	2.1%	2.3%	6.4%	\$ 6,200	\$ 6,040
Mexico	3.2%	1.8%	4.0%	6.3%	\$ 12,580	\$ 14,270
Guatemala	5.7%	3.3%	8.8%	10.9%	\$ 4,520	\$ 4,690
Honduras	6.3%	3.8%	8.9%	12.0%	\$ 3,620	\$ 3,870
El Salvador	4.7%	3.0%	4.9%	5.3%	\$ 5,640	\$ 6,670

Sources: CBB 2008: Tables 3 and 4
World Bank

GNI/Capita Gross National Income per Capita
Measured in PPP International Dollars where PPP=Purchasing Power Parity
PPP provides a measure of relative purchasing power of different currencies for an equivalent basket of goods and services in their respective domestic markets
Gross national income (GNI) is the value of a nations income, the income of the resident people.
GNI is derived as GDP plus net income from abroad.
Thus, while GDP measures the production within the countries boundary, no matter who produces it, GNI measures the value of the incomes of the resident people, no matter where it is earned.
Gross national income (GNI) was earlier termed Gross national product (GNP).

¹⁵ IMF 2008: page 3.

2.6.3 Banking and Finance

The IMF notes that “analysis suggests that the domestic banking system is broadly sound. Capital adequacy, asset quality and profitability indicators do not point to any major risks” (IMF 2008, page 6). However, the CBB notes that “both primary and secondary liquidity remained unevenly distributed across banks” (CBB 2008: page 2).

Current interest rates range from 12.8% for residential construction to 15.9% for personal loans. The weighted average spread (the difference between the interest rate which banks pay on deposit and the interest rate at which they lend) declined in 2008 to 7.75% (Table 2.14).

Table 2.14. Commercial Bank Interest Rates

	Position as at			Percentages
	Dec 2006	Dec 2007	Dec 2008	Changes Dec 2007 to Dec 2008
Weighted Lending Rates				
Personal Loans	16.30	16.17	15.94	-0.23
Commercial Loans	13.84	13.80	13.55	-0.25
Residential Construction	13.12	13.14	12.78	-0.36
Other	12.42	13.52	13.45	-0.07
Weighted Average	14.23	14.30	14.10	-0.20
Weighted Deposit Rates				
Demand	0.67	1.13	1.10	-0.03
Savings/ Cheque	5.25	5.16	5.09	-0.07
Savings	5.24	5.23	5.28	0.05
Time	8.21	8.38	8.51	0.13
Weighted Average	5.75	5.97	6.35	0.38
Weighted Average Spread	8.48	8.33	7.75	-0.58

Source (Tables 2.14/15): CBB 2008: Table A.24

Table 2.15 presents the economic sectors to which the commercial banks lend. The data indicate that loans to the tertiary sector (specifically ‘distribution’) and personal loans have jumped considerably over the 2006 to 2008 period. Personal loans now comprise 26% of total loans (up from 23% two years earlier), with primary industry comprising 11%, secondary industry comprising 24%, and tertiary industry comprising 39%.

Table 2.15. Sectoral Composition of Commercial Bank Loans and Advances

	\$ m n			
	Position as at			Changes
	Dec 2006	Dec 2007	Dec 2008	Dec 2007 to Dec 2008
PRIMARY SECTOR	155.8	182.0	195.2	13.2
Agriculture	106.5	120.8	133.7	12.9
Sugar	11.5	13.4	17.3	3.9
Citrus	19.4	18.6	18.6	0.0
Bananas	64.4	73.9	78.9	5.0
Other	11.2	14.9	18.9	4.0
Marine Products	15.2	27.4	27.9	0.5
Forestry	2.0	1.8	2.2	0.4
Mining & Exploration	32.1	32.0	31.4	-0.6
SECONDARY SECTOR	373.2	422.7	420.2	-2.5
Manufacturing	24.6	32.0	40.7	8.7
Building & Construction	316.5	365.2	363.8	-1.4
Utilities	32.1	25.5	15.7	-9.8
TERTIARY SECTOR	539.3	619.6	677.2	57.6
Transport	45.8	55.8	74.8	19.0
Tourism	79.3	133.2	120.7	-12.5
Distribution	173.8	193.9	231.3	37.4
Other ⁽¹⁾	240.4	236.7	250.4	13.7
Personal Loans	322.2	375.3	449.8	74.5
TOTAL	1,390.5	1,599.6	1,742.4	142.8

(1) Includes government services, real estate, financial institutions, professional services, and entertainment.

2.6.4 Government Finances and Debt Management

In the late 1990s and early 2000s, the Government pursued an expansionary policy involving privatizations, borrowing and budget deficits. Despite frequent warnings from the IMF, Belize did little to tackle the debt implications of these policies until the situation became critical in 2006. Following this debt crisis, a successful restructuring exercise was undertaken in 2007. As noted by the IMF:

“As a result of expansionary macroeconomic policies during 1999–2004, Belize’s public debt increased rapidly and is currently one of the highest in the region. At end of 2006, total and external debt ratios stood at 92 and 84 percent, respectively. With these debt levels, Belize ranks eighth (out of 19 countries) with regard to total debt to GDP ratio and third (after Grenada and Guyana) in external debt category among its peers in Central America and the Caribbean.

“However, the adjustment efforts were not sufficient to bring the economy back onto a sustainable path, and, therefore, Belize engaged with its external private creditors to achieve a cooperative debt restructuring.

“Debt restructuring was completed in February 2007. Holders of eligible debt exchanged their claims for a new 22-year bond, repayable in semi-annual instalments starting in 2019. Interest

*rates have been set at below-market levels until 2013, at 4.25 percent in the first three years, and 6 percent in the following two years.*¹⁶

The impact of this restructuring exercise was to reduce debt service payments from 47% of government expenditure in 2006 to 31% in 2008 (Table 2.16).

Table 2.16. Belize: Public Sector Debt Servicing, 2001-2008

Year	Current Expenditure	Debt service payments	Other expenditure	Debt service %
2001	334	154	180	46%
2002	426	155	271	36%
2003	422	166	256	39%
2004	452	194	258	43%
2005	512	178	334	35%
2006	566	268	298	47%
2007	652	270	382	41%
2008	619	194	425	31%
As % of 2001	185%	126%	236%	

Nb. All figures are BZ\$ millions except for the last column.

Source: Central Bank of Belize, 2008 Annual Report, Table 1

The restructuring exercise enabled Belize's debts to become fiscally manageable. It also enabled continued growth in non-debt related government recurrent expenditure which has increased from BZ\$180 million in 2001 to BZ\$425 million in 2008 – a 236% increase. In 2008, the government recorded its first overall surplus in 20 years (1.9% of GDP). This surplus was driven by petroleum taxes and royalties, foreign grants as well as revenue growth from the General Sales Tax and business taxes (CBB 2008: page 40). Table 2.17 presents revenue and expenditure data for 2006 to 2008.

To date, Belize's debt situation has had relatively little impact on government expenditure, with other government expenditures, including for social sectors, increasing substantially since 2001. Similarly, over the last three years, the government was able to increase social spending from BZ\$232 million to BZ\$290 million. The main social sectors (health, education and human development) maintained a constant proportion of total non-debt related recurrent spending of around 60%¹⁷.

¹⁶ International Monetary Fund. Belize: Selected Issues, Country Report No. 08/92. March 2008. Pp. 2-3. For a more detailed description see Bernard A, and Iyare O, 2008?, Eradicating Poverty: the Illiberal Reality of Structural Adjustment Programs, University of the West Indies, Cave Hill, Barbados.

¹⁷ A more detailed assessment of the relationship between debt servicing and social spending is contained in Chapter 6.

Table 2.17. Government Finances, 2006 to 2008

	\$'000				
	Fiscal Year	Estimated Budget	Jan-Dec	Jan-Dec	Jan-Dec
	2007/2008	2008/2009	2006	2007	2008
TOTAL REVENUE & GRANTS (1+2+3)	770,690	824,940	601,276	765,671	794,647
1). Current revenue	675,303	729,032	566,008	651,467	729,567
Tax revenue	591,664	636,802	514,495	577,020	621,042
Income and profits	180,093	233,780	136,659	164,671	199,457
Taxes on property	6,521	7,016	4,393	5,985	6,490
Taxes on goods and services	235,974	244,406	207,838	231,789	252,977
Int'l trade and transactions	169,076	151,600	165,606	174,576	162,118
Non-Tax Revenue	83,639	92,230	51,513	74,447	108,525
Property income	12,425	12,800	1,356	12,643	12,247
Licenses	13,219	14,973	10,499	12,276	14,517
Transfers from NFPE's	25,643	24,592	19,642	27,041	23,468
Repayment of old loans ⁽¹⁾	9,290	2,520	4,578	541	29,688
Rent & Royalties ⁽²⁾	23,062	37,345	15,437	21,945	28,605
2). Capital revenue	30,124	8,508	9,988	28,366	8,629
3). Grants	65,263	87,400	25,280	85,839	56,450
TOTAL EXPENDITURE (1+2)	786,696	824,775	647,954	796,508	763,456
1). Current Expenditure	597,281	649,599	550,832	636,121	618,947
Wages and Salaries	233,920	262,868	218,075	230,045	246,720
Pensions	42,299	39,902	39,016	40,490	47,788
Goods and Services ⁽³⁾	134,186	156,403	104,676	158,417	135,030
Interest Payments	111,188	108,885	141,973	134,885	105,417
Subsidies & current transfers ⁽⁴⁾	75,688	81,540	47,093	72,284	83,992
2). Capital Expenditure	189,415	175,176	97,122	160,387	144,509
Capital II (local sources)	71,786	78,664	67,869	77,728	66,339
Capital III (foreign sources)	54,888	93,305	25,442	40,253	53,561
Capital Transfer & Net Lending	47,741	3,206	3,811	42,405	9,609
Unidentified Expenditure	15,000	0	0	0	15,000
CURRENT BALANCE	78,022	79,432	15,176	15,346	110,620
OVERALL BALANCE	-16,006	165	-46,678	-30,837	31,190
OVERALL BALANCE W/OUT Grants	-81,269	-87,235	-71,958	-116,676	-25,260
PRIMARY BALANCE	95,182	109,050	95,294	104,048	136,608
PRIMARY BALANCE W/OUT Grants	29,919	21,650	70,015	18,210	80,157

Source: CBB 2008: Table A.17.

This is not however likely to be a permanent situation. The debt restructuring totalled BZ\$1,085.0 million (US\$546.8 million) in commercial bonds, colloquially known as “Super Bonds”. Newspaper articles¹⁸ have published Super Bond payment obligations. Interest and principal repayments on the Super Bonds will double from approximately BZ\$46 million at present to BZ\$92 million in 2012-13 before doubling again in 2019 to over BZ\$200 million when principal repayments begin. Furthermore, while the Super Bond issue is the largest single item of Public Sector External Debt, it only accounts for 56% of this debt. Table 2.18 presents total external debt by source and principal and interest payments on this debt (BZ\$196.1 million) for 2008.

Even if the other debt service requirements remain at much the same order of magnitude as at present, it is evident that government’s ability to increase expenditures on social and poverty

¹⁸ San Pedro Sun and the Guardian.

alleviation programmes is likely to be increasingly constrained in the future with this situation becoming acute from 2019 onwards.

Belize's debt repayment levels also appear high by international standards¹⁹. In Jamaica, 44% of budget expenditures goes to interest payments, while Costa Rica and St Kitts pay 25% and 28% respectively. In contrast, the proportions for Guatemala and Honduras are much lower, at 10% and 5% respectively.

Table 2.18. Total External Debt by Source, 2008

	\$'000					
	Disbursed Outstanding Debt		Principal Payments	Interest & Other Payments	Parity Change	Disbursed Outstanding Debt
	31/12/2007	Disbursements				31/12/2008
CENTRAL GOVERNMENT	1,824,040	82,928	88,479	81,675	-891	1,817,597
Banco Nacional de Comercio Exterior	7,940	0	1,059	468	0	6,881
Fondo de Financ. de las Exportaciones	327	0	218	16	0	109
Government of Great Britain	1,327	0	1,280	0	-47	0
Government of the United States	3,393	0	815	135	0	2,578
Government of Trinidad and Tobago	12	0	4	0	0	8
Government of Venezuela ⁽⁴⁾	19,094	47,212	29,813	99	0	36,494
Kuwait Fund for Arab Economic Dev	17,569	0	2,772	989	-86	14,711
Republic of China	266,700	9,000	17,041	13,863	0	258,660
Allfirst Bank of Maryland	420	0	420	31	0	0
Manufacturers & Traders Trust Co.	6,055	0	1,730	320	0	4,325
Bear Stearns & C0. Inc.	9,676	0	1,682	0	0	7,994
BVS Finance Limited	9,922	0	4,961	992	0	4,961
Provident Bank & Trust of Belize (TN)	1,000	0	0	90	0	1,000
Caribbean Development Bank	126,955	16,469	7,622	5,437	0	135,803
European Economic Community	19,103	0	990	149	-760	17,353
European Investment Bank	512	0	203	10	-26	284
Inter-American Development Bank	191,690	5,163	8,331	9,564	0	188,522
International Fund for Agric. Dev.	1,262	0	294	40	26	994
Intl. Bank for Reconstruction & Dev.	46,569	0	8,112	1,956	0	38,456
Opec Fund for Intl. Development	10,680	3,392	1,133	565	0	12,939
Bank of New York (New Bond Issue) ⁽⁵⁾	1,083,834	1,691	0	46,950	0	1,085,525
NON-FINANCIAL PUBLIC SECTOR	38,293	33	3,150	1,587	-117	35,059
Kuwait Fund for Arab Economic Dev	6,589	0	751	260	-47	5,791
Deutsche Bank	1,101	0	284	84	0	818
Caribbean Development Bank	30,603	33	2,115	1,243	-71	28,450
FINANCIAL PUBLIC SECTOR	83,096	0	16,638	4,584	-378	58,290
Paine Webber Real Estate Securities Inc	1,200	0	100	19	0	1,100
Government of the United States	894	0	441	24	0	454
Caribbean Development Bank	20,898	0	5,979	393	0	14,919
European Economic Community	592	0	39	6	-25	529
European Investment Bank ⁽⁴⁾	9,834	0	669	39	-353	1,022
Belize Mortgage Company ⁽⁵⁾	49,677	0	9,410	4,103	0	40,267
GRAND TOTAL	1,945,429	82,961	108,267	87,846	-1,387	1,910,946

Source: Central Bank Annual Report, 2008.

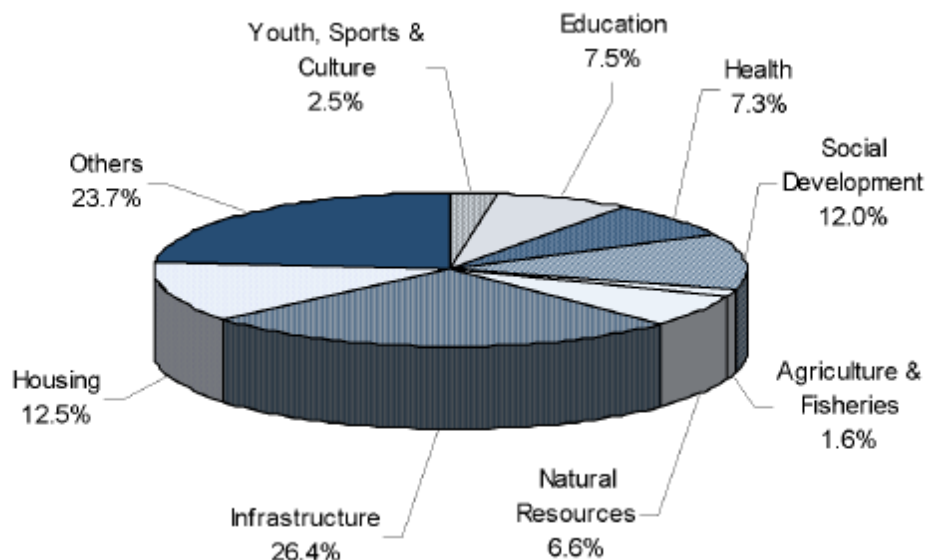
2.6.5 Capital Expenditure

Figure 2.6 shows the pattern of capital expenditure, 39% of which was invested in infrastructural works, 29% in social projects (education, health, social development) and 12% in house construction and improvement. A large proportion of this expenditure is foreign-funded with

¹⁹ Data are for 2006 from the IMF, www.imf.org/external/pubs/ft/gfs/yearbook/2008/gfsy08.pdf, and may not be directly comparable.

around 30% of total capital expenditure being funded in this way; however the 2008-09 budget (see Table 2.15) foresaw this proportion increasing to over 50%. Essentially this means that GoB has limited ability to fund capital expenditure from its own financial resources and is thus heavily dependent on foreign funding for this purpose. A recent example of this dependence is provided by the Government's inability to fund the reconstruction of the Kendal Bridge without external assistance. This bridge carries the only road linking Stann Creek and Toledo to the rest of the country.

Figure 2.6: Government Capital Expenditures 2008



Source: CBB 2008: Chart 20.

2.6.6 Growth Prospects

It is clear that external forces (markets, nature) can dominate the Belize economy beyond our capability to forecast meaningful short term economic activity. In 2007, the Caribbean Development Bank²⁰ identified likely prospects for various economic sectors:

“In the short term, economic activity will be heavily influenced by tourism industry performance, which is likely to be somewhat weak, given the industry’s dependence on the US market and the downturn in the US economy. Beyond the short term, however, [economic] activity is likely to grow as a result of the citrus industry’s successful efforts to date in developing new export markets; some recovery in shrimp farming reflecting new investment in the industry; and the likelihood of new petroleum discoveries based on recent exploration indications. Intensified tourism promotion and the absence of hurricane activity should also be reflected in increases in visitor spending; and activity is already underway to expand infrastructure serving the industry and to improve the quality of the visitor experience in Belize City as well as in the more traditional resort areas” (CDB 2007: page 54).

The IMF has played an advisory role to the Government in debt restructuring²¹. Current IMF – Government discussions centre on “external stability issues.... [the] budget and medium-term debt strategy

²⁰ Caribbean Development Bank, 2007, Annual Economic Review 2007.

²¹ IMF, 2008, Staff Report for the 2008 Consultation with Belize, p.3

and structural reforms in the fiscal and monetary area".²² The IMF has prepared long range forecasts for the Belize economy. These projections are based on alternative Government fiscal policy approaches rather than sector-specific forecasts. The IMF Baseline Scenario projects real GDP to grow at around 2.25% annually through 2020. Based on current population trends²³, this implies at best, a continuing stagnation in real per capita income for the next 10 years, and, at worst, a decline. Their more optimistic 'Active' Scenario projects real GDP to grow at around 3.75% over the same period (IMF 2008: page 24) which implies a small increase in per capita incomes.

Also troubling, both internally and in terms of attracting foreign investment, is the perception of corruption in Belize. Transparency International, a non-profit organization that measures corruption around the world, rates countries on a scale of 10 for its Corruption Perceptions Index (www.transparency.org). Scoring less than 5 out of 10 indicates a serious corruption problem and scoring less than 3 out of ten indicates rampant corruption. Belize's score has declined from 4.5 in 2003 to 2.9 in 2008. In 2008, Belize was rated the 8th most corrupt country of the 32 countries in the Americas (trailing only Honduras, Guyana, Nicaragua, Paraguay, Ecuador, Venezuela and Haiti). Worldwide, Belize is ranked 111th out of 180 countries and its score was only marginally above that of Nigeria. The perception that corruption has increased substantially since 2003 is, however, arguably a more serious issue than its current ranking²⁴.

2.6.7 *Strengths, Weaknesses and Implications*

The Belize economy is faced with several important constraints on improving its performance and thus facilitating poverty reduction through private sector investment and job creation, both directly and indirectly through multiplier benefits arising from increased household spending and upstream and downstream employment. On the other hand, the country also possesses a number of positive features that provide the potential for future growth. These positives and negatives are summarised in Table 2.19.

This review of Belize's macro-economy gives rise to the following implications for this study:

- Belize's economy is highly vulnerable to the international economy and natural disasters. This situation is likely to persist. The most recent IMF projections, even under the more optimistic 'active' scenario, imply little real per capita income growth in the near future.
- Belize has for many years been dependent on foreign funding for much of its capital expenditure. This situation is likely to continue.
- The perceived increase in corruption is likely to act as a disincentive to foreign investment.
- The 2007 debt re-structuring created a temporary reduction in the debt burden until 2019 and enabled government spending on social sectors to increase in the last 3 years.

²² Ibid, p.10

²³ Current population trends include significant immigration. If neighbouring economies perform better than Belize's this may decrease thereby reducing immigration and hence population increase; this statement may thus be somewhat pessimistic.

²⁴ See Amandala, 23 September 2009.

This situation is, however, likely to be threatened by the current deterioration in the economic situation, which has resulted in a decrease in government revenues while debt repayments still need to increase.

- Taken together, these factors are likely to severely limit any significant increases in spending on social and poverty alleviation spending in the short- and medium-term. In short, the economy and government revenues will need to increase significantly if the burden of debt servicing is not to necessitate reductions in government social spending.

Table 2.19: Positive and Negative Features of the Belize Economy

Positive Features	Negative Features
<ul style="list-style-type: none"> • A range of industries rather dependence on single industries or monocultures • Continued investment in value-added activities (e.g. citrus processing) • Dollar peg to US dollar means investment security • A large number of commercial banks and credit unions • Up-to-date telecommunications infrastructure • Significantly improved Government financial position • A democratic and open political system • English-speaking Government services as well as Spanish, enabling Belize to act as a bridge between the English-speaking Caribbean and Spanish-speaking Central America; ties to both SICA and CARICOM • English-based legal system understandable to investors, providing investment security • A proven resilience to natural disasters. 	<ul style="list-style-type: none"> • Natural disasters vulnerability • Small economy in international markets means that Belize has little say in market conditions and prices for exports and inputs • Relatively high wage rates which puts Belizean exports at a disadvantage, especially compared to neighbouring countries • Lack of fiscal space for capital investment and increases in social (education, health and social services) spending • Increasing debt service requirements • High perception of corruption • Low population density leading to high per capita infrastructure costs • Lack of investment which has decreased in real terms by 4% annually since 2002*.

* Issue identified in Belize National MDG Team/ UNDP, 2010, *Belize MDG Scorecard and Outlook Report 2010*. See Chapter 8 for an analysis of the findings and conclusions of this report..

NB. Sector specific prospects and constraints are discussed in Chapter 5.

Source: Study Team.

2.7 Employment and Economic Activity

2.7.1 Participation in the Labour Market

Since 1998, the working age population²⁵ has increased by over 50% while the labour force has increased by just under 60% (Table 2.20) which indicates a small increase in the overall participation rate. Female participation has increased from 41% in 1998 to 47% in 2009 indicating increased opportunities for women to work. As a result women now constitute 40% of the labour force compared with 35% in 1998. The small decrease in male participation is likely to reflect increasing enrolment in secondary and tertiary education.

²⁵ Prior to 2005, the working age population was considered to be those aged 15 years and over; current practice is to use those aged 14 and over. The data for 1998 and 2002 therefore differs slightly from that for 2005-2009. These differences are however marginal.

Table 2.20. Working Age Population, Labour Force and Participation Rate, 1998-2009

Year	Total Population 14+			Not In Labour Force			Labour Force		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
1998	75,695	71,310	147,005	40,900	25,000	65,900	30,670	56,035	86,705
2002	83,784	80,568	164,352	52,922	17,258	70,180	30,862	63,310	94,172
2005	94,858	91,717	186,575	54,167	21,622	75,789	40,691	70,095	110,786
2007	98,823	100,939	199,762	53,436	24,066	77,502	45,387	76,873	122,260
2009	118,036	108,305	226,341	63,047	25,585	88,632	54,989	82,720	137,709
Year	Labour Force Participation Rate			Composition of labour force					
1998	41%	79%	59%	35%	65%	100%			
2002	37%	79%	57%	33%	67%	100%			
2005	43%	76%	59%	37%	63%	100%			
2007	46%	76%	61%	37%	63%	100%			
2009	47%	76%	61%	40%	60%	100%			

Sources: 1998, 2002: Caribbean Community Secretariat, 2008, Men and Women in the Caribbean Community, Facts and Figures, 1998-2005; 2005, 2007: SIB; 2009: LSMS.

2.7.2 Unemployment

Table 2.21 shows the trend in unemployment since 1998. The table indicates a gradual decline in unemployment from 1998 to 2007 followed by a substantial jump, from 9% to 13% in the last 2 years as the economic situation has worsened. Female unemployment has historically been higher than male unemployment; it has also proved more volatile implying that women are more likely to be affected during economic downturns. Thus, female unemployment more than doubled between 2007 and 2009 while male unemployment has remained essentially unchanged. Apart from 2007, females, notwithstanding, their lower participation rate, account for the majority of unemployed persons.

Table 2.21. Unemployment Rates by Sex and Age, 1998 - 2009

Year	Unemployed Population			Unemployment Rates			Women as % of unemployed
	Women	Men	Total	Women	Men	Total	
1998	6,305	5,945	12,250	21%	11%	14%	51%
2002	4,724	4,728	9,452	15%	7%	10%	50%
2005	6,980	5,217	12,197	17%	7%	11%	57%
2007	4,490	5,933	10,423	10%	8%	9%	43%
2009	10,918	6,730	17,648	20%	8%	13%	62%
Unemployment by Age Group 2009				Women	Men	Total	Difference % points
14 - 19				43%	26%	33%	17
20-24				28%	16%	20%	12
25 - 49				16%	5%	10%	11
50-64				21%	6%	11%	15
65+				9%	5%	6%	5
All ages				20%	8%	13%	12

Sources: As for preceding Table.

Table 2.21 also shows the variation in unemployment by age. The difference in their unemployment rate is particularly high in the age group 14 to 19 years of age. Women in this age group had an unemployment rate of 43% in 2009, while 26% of men of this age were unemployed. One-third of those not in education and aged under 20 were unemployed. The unemployment rate for young adults (20-24 years) is also high at over 20% - well above the overall average. Women experience higher unemployment in all age groups.

Table 2.22 shows the recent variation in unemployment between districts. In 2007, rates varied substantially from 4% in Corozal to 15% in Toledo. By 2009, these variations had been reduced and the only significant outlier is Stann Creek where unemployment reached 18%. The largest increases were in Corozal and Cayo. Toledo was the only district where unemployment decreased between 2007 and 2009. .

Table 2.22. Unemployment Rates by District, 2007 and 2009

District	2007	2009	Change % points
	% of labour force		
Belize	9	14	5
Cayo	7	15	8
Corozal	4	12	8
Orange Walk	9	11	2
Stann Creek	12	18	7
Toledo	15	14	-1

Source: 2007: SIB, LFS; 2009: LSMS.

2.7.3 *Employment*

The tertiary sector provides almost two-thirds of jobs in Belize and the retail sector alone provides one-fifth of all jobs. For women, the numbers are even higher, with tertiary jobs making up almost 80% of all female employment; 23% of women's employment is in retail and 15% in tourism. The tertiary sector is less important for men. About a half of all men who have jobs work in the tertiary sector, 17% in retail and 8% in tourist industries. The primary and construction sectors are a much more important source of jobs for men than for women; 26% of working men work in the agricultural sector and another 12% work in construction (Table 2.23). It is noteworthy that although almost half the country's population lives in rural areas, agriculture only accounts for a fifth of total employment, a significant decline from 2000. Apart from trade and personal services, it still remains the most important employment sector.

Table 2.23 shows the gender pattern of employment in Belize. As is often the case, the primary and secondary sectors are dominated by male workers. In contrast, the personal service industry is the only one where there are significantly more women working than men; this sector includes domestic workers and those working in beauty salons which are traditionally female occupations. Sectors where broadly equal numbers of men and women work are manufacturing of food products, wholesale and retail trade, tourism and government; these sectors account for around 43% of all employment. Overall the pattern shown in the Table is much as one would expect.

Table 2.23. Distribution of Employment by Sex and Industry, 2009

Industry	Female	Male	Both sexes	Male/ Female ratio*
Agriculture – sugar cane	0.9**	8.1	5.5	16.3
Other agriculture	1.3	13.5	9.1	19.2
Primary Industries	4.4	29.0	20.2	11.8
Manufacturing of food products	3.4	2.6	2.9	1.4
Other manufacturing	0.8	2.7	2.0	6.3
Construction	1.2	12.2	8.2	18.3
Secondary Industries	6.8	19.3	14.8	5.1
Wholesale/ retail trade and repair	22.7	17.0	19.0	1.3
Tourism	15.4	7.9	10.6	0.9
Transport	4.2	5.5	5.0	2.4
Other business services	1.8	2.8	2.5	2.7
Government	12.9	8.0	9.7	1.1
Community & Personal Services	29.0	9.1	16.2	0.6
Tertiary Industries	88.8	51.7	65.0	1.0
Total employed	100	100	100	1.7

* Actual male employment/ Actual female employment. ** Percentages
 NB. Sectors employing less than 2% of all employees have been omitted; about 10% did not state their industry.

Table 2.24 shows the relative importance of key sectors to each district. The Table highlights the importance of the agricultural sector outside Belize and Cayo districts. In Toledo, almost half of total employment is in agriculture. In Corozal, a third of the working population is employed in agriculture, mostly in the cultivation of sugar cane (which also dominates in Orange Walk). Also noteworthy is the importance of tourism in Stann Creek, Belize and Cayo.

Table 2.24. Percentage Distribution of Employment by Industry and District, 2009

Industry	Belize District	Cayo	Corozal	Orange Walk	Stann Creek	Toledo
Agriculture	1.8	17.8	32.2	24.9	25.6	46.1
Construction	8.5	7.2	6.9	11.8	5.4	8.6
Retail	22.4	15.8	22.7	22.2	14.5	6.5
Tourism – Hotels, Restaurants etc.	13.4	10.6	6.3	6.4	14.0	8.6
Government	10.3	14.8	4.5	4.9	10.3	9.8
Personal Services	19.3	18.4	12.5	11.3	17.4	10.2
All other sectors	24.3	15.4	14.9	18.5	12.8	10.2
Total	100.0	100.0	100.0	100.0	100.0	100.0

Figure 2.7 shows the industries that have suffered the most during the economic slowdown of the last two years. The industries hardest hit were the textile industry, where employment declined by 74%, the oil (mining and quarrying) industry 48%, citrus 45%, fishing

34% and tourism, which declined 26%. Some industries did, however, manage to increase employment during this period: banana cultivation, construction and most of the service

industries apart from tourism. Major sectors where there was little change were government, personal services and trade. Overall there was a decline in total employment of around 2.5%.

There has also been a significant change in the occupational status of the employed population with substantial increases in the proportions of semi-skilled clerical and service workers and a corresponding decrease in the proportions of skilled and unskilled (elementary) occupations. The decline in the proportion of unskilled workers implies both an overall upgrading of the workforce and a transfer from the secondary to the tertiary sector (Table 2.25).

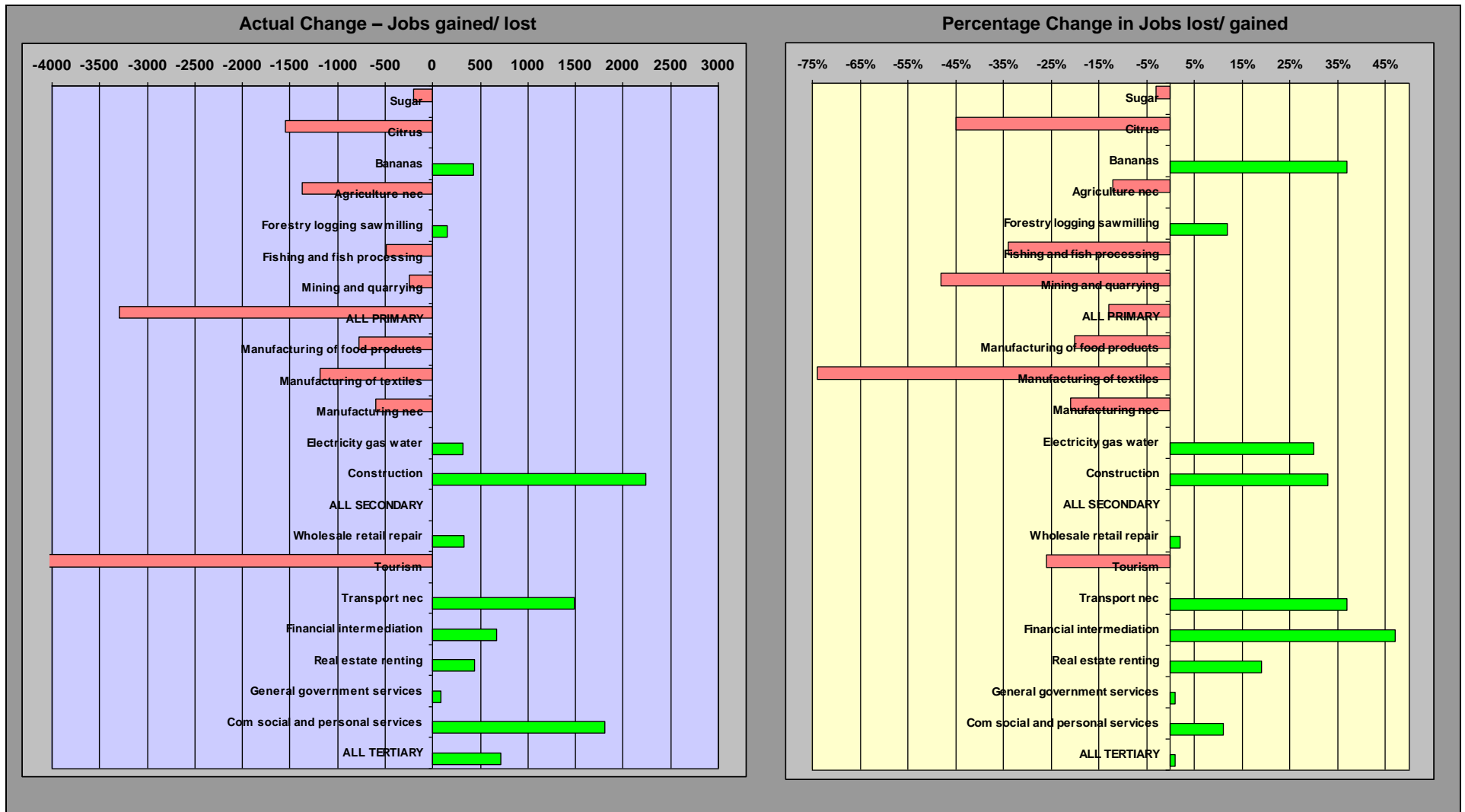
Table 2.25 also shows that new labour entrants are far more likely to have occupations that are unskilled or semi-skilled (clerical, services or elementary occupations) than older workers. While this situation is likely to evolve as new entrants gain experience and upgrade their skills, the data could suggest that fewer skilled jobs are available to new entrants and/or that new entrants may not be qualified to access the more skilled jobs. It is not, however, possible to assess the importance of these two factors.

Table 2.25. Occupational Status, 2002 and 2009

Occupation	2002 %	2009 %	Change % points	New entrants* %
Managers/ Professional/ Technical	17.8	17.5	-0.3	9
Clerks	6.6	11.1	4.5	16
Service Workers	11.3	16.8	5.5	19
Agriculturalists	8.0	8.9	0.9	8
Skilled manual: crafts and machine operators	22.9	19.4	-3.5	13
Elementary/ Other	33.5	26.4	-7.1	36
Total	100.0	100.0	0.0	100

* Occupations of workers aged 15 to 24 years.

Figure 2.7. Changes in Employment, 2007-2009



2.8 Housing

2.8.1 Housing Conditions

The typical Belizean dwelling is an undivided house, owned by its occupants, with walls of concrete or wood and roofed with sheet metal. These characteristics have changed little since 2002, although there has been a small increase in renting and walls are now more likely to be made of stone or concrete than wood and other materials less resistant to the hurricanes that can afflict the country. About 10% of all homes are made of inferior materials such as sticks and stucco and provide little protection from the elements.

In the LSMS of 1995 and 2002, some specific indicators were recognised as being indicators of the quality of housing; they are shown in Table 2.26. All the indicators have shown improvement with the exception of the percentage of households living in undivided private housing. The greatest increases have been in the proportions of housing with piped water to the dwelling or using purified water, and those with access to water closets; these indicators have improved respectively by 43% and 53%. The Housing Quality Index (HQI) has increased by around 9%, which demonstrates an overall improvement in housing conditions.

Table 2.26. Housing Quality Index Indicators, 1995, 2002, 2009

Indicator	1995	2002	2009	Change 2002-09 (% points)
Exclusive Use of Kitchen	94.8*	95.9	96.9	1
Electricity for Lighting	76.4	87.4	92.5	6
Undivided Private House	82.7	87.4	85.2	-3
Own/Hire-Purchase Dwelling Unit	73.0	66.3	67.1	1
Drinking Water Piped into dwelling/Purified water	43.6	49.8	71.0	43
Exclusive Use of Water Closet	38.8	45.2	69.3	53
Concrete Outer Walls	32.7	42.1	49.7	18
Housing Quality Index**	63.1	67.7	76.0	9

* All figures are percentages of housing units.

** Mean score of 7 component indicators.

Source: 2002 CPA and LSMS.

Overcrowding also decreased between 2002 and 2009. Using the same indicator as in 2002, percentage of houses with 3 or more persons per bedroom, Table 2.27 shows that 13% of households are overcrowded now, which is much less than the 22% observed in 2002. Overcrowding remains substantially more likely in rural areas, 19% as against 8%, but both show marked improvements compared to 2002. In fact, the high level of overcrowding in rural households is almost totally in Toledo, where over 60% of rural houses are overcrowded.

Table 2.27. Overcrowding by District and Urban Rural, 2002 and 2009

Area	Percentage of Households with 3 or more persons per Bedroom							
	2002	2009	Belize	Cayo	Corozal	Orange Walk	Stann Creek	Toledo
Urban	13	8	10	7	8	6	4	8
Rural	33	19	9	15	21	14	5	62
Country	22	13	10	11	17	11	5	48

Source: 2002 CPA and LSMS.

2.8.2 Ownership of Durable Goods

Table 2.28 shows how ownership rates of durable and consumer goods has changed between 2002 and 2009. As with the HQI, household ownership of many durables has increased, implying that significant numbers of households have had the resources necessary to increase expenditure on these items.

Ownership rates for virtually all the goods shown reflect some increase or little change. The exceptions are stoves and radios whose ownership has decreased slightly. The largest increases have been for computers (now owned by over a quarter of households with 2/3rds of these having internet access) and record/ DVD players (up from 33% in 2002 to 55% in 2009) which along with iPods have replaced radios while microwaves have reduced the need for stoves., both of which have to some degree been replaced in importance. Ownership of labour saving devices (washing machines and refrigerators) has also increased significantly. While the ownership of cell phones was not asked on the 2002 survey, their popularity is evidenced by the fact that nearly 70% of homes have at least one person in the house who has one; along with landline ownership, this implies that the great majority of households have telephone access.

There have been small increases in the ownership of all means of transport. The bicycle continues to be the most popular form of transport with 64% having at least one; 33% have a motor vehicle (almost the same as in 2002) and 5% have a motor bike. Almost as many households own a boat as own a motor bike. Most households are thus likely to have access to some means of transport.

Table 2.28. Ownership of Durable Household Goods, 2002 and 2009

Goods in the 2002 LSMS	2002	2009	Change
Gas or Electric stove	90*	87	Decrease
Radio	81	77	Decrease
Fans	78	82	Little change
TV	74	81	Increase
Refrigerators	65	75	Increase
Bicycle	62	64	Little change
Washing machine	57	71	Increase
Record player/stereo/DVD player	33	55	Large increase
Motor vehicle	32	35	Little change
Computer	12	27	Doubling
Air conditioner	4	6	Increase
Motorbike	3	5	Increase
New Goods in 2009 LSMS			
Cell phone		74	Large increase?
Microwave		41	Large increase?
Fixed line phone		29	Little change?
iPod		16	Large increase?
Internet access from home		18	Large increase?
Boat		4	Little change?

* % of households owning.

Source: 2002 CPA and LSMS

When durable goods ownership is analysed at the district level (Table 2.29) it is apparent that Toledo has the lowest ownership rates for every item apart from bicycles. Corozal has the second lowest ownership rate for the majority of the selected goods. This district, however, has the highest ownership of bicycles and motor vehicles (43% ownership); the flat terrain and proximity to Mexico could account for these high rates.

At the other end of the scale is the district of Belize, which ranks first in ownership of all the goods with the exception of bicycles, washing machines and motor vehicles; a third of households own a computer and almost quarter have internet access. Cayo is the second most affluent district in terms of household durable goods.

As will be seen in the next Chapter, these patterns generally reflect the overall distribution of poverty with Toledo and Corozal being the poorest districts and Belize being the least poor.

Table 2.29. Ownership of Household Goods by District, 2009

Item	Corozal	Orange Walk	Belize	Cayo	Stann Creek	Toledo	Country
Stove	89	90	95	92	91	57	87
Fans	78	82	89	81	84	46	82
TV	84	80	93	76	79	51	81
Radio	72	73	80	77	76	69	77
Refrigerator	68	73	86	74	79	43	75
cell phone	65	66	84	80	70	43	74
Bicycle	78	73	57	56	71	67	64
Washing machine	76	81	72	74	61	35	71
DVD player	47	50	67	49	55	35	55
Motor vehicle	43	35	38	39	21	20	35
Computer	20	19	34	33	19	17	27
Home internet	7	7	23	11	10	3	18

NB. All figures are percentages of households owning. Blue represents highest proportion owned; brown the lowest and yellow the second lowest.

2.9 Human Development

The Human Development Index (HDI) is a composite index developed by the UN in the late 1990s based on the work Amartya Sen which reflects the now widely held view that a nation's level of development is not just a reflection of its economic performance (GDP). The HDI is made up of three components: GDP per capita (PPP values), education (measured by adult literacy and gross school enrolment) and health (life expectancy).

Belize's HDI in 2007 was 0.772 having increased from 0.705 since 1990. It is ranked 93 out of 182 countries and is located near the top of the Medium Human Development grouping, just below China. Table 2.30 compares the components of Belize's HDI with those of selected Caribbean and neighbouring countries. Belize's rankings for the HDI components vary markedly: its ranking for life expectancy is 44 (the highest amongst the countries shown) whereas its education index ranking is 126 making it the lowest bar Guatemala.

Table 2.30. Human Development Index, 2007

Country	HDI Index Values*				HDI Index Rankings (182 countries)			
	HDI	GDP	Education	Life Expectancy	HDI	GDP	Education	Life Expectancy
Mexico	0.854	0.826	0.886	0.85	53	58	77	46
Trinidad and Tobago	0.837	0.911	0.861	0.737	64	38	96	110
Saint Lucia	0.821	0.765	0.889	0.81	69	77	70	67
Saint Vincent and the Grenadines	0.772	0.725	0.817	0.774	91	89	112	98
Belize	0.772	0.703	0.762	0.851	93 (5)**	96 (5)	126 (8)	44 (1)
Jamaica	0.766	0.686	0.834	0.778	100	98	108	94
El Salvador	0.747	0.678	0.794	0.771	106	99	117	100
Honduras	0.732	0.607	0.806	0.783	112	119	116	89
Guatemala	0.704	0.638	0.723	0.752	122	111	133	106

* For actual values, see data source.

** Rank within the 9 countries shown.

Source: derived from UNDP, Human Development Report, 2009; <http://hdr.undp.org/en/statistics/data/>

3 The Extent of Poverty in Belize

3.1 General

Following a brief description of issues related to the definition and measurement of poverty, this Chapter describes the incidence and characteristics of poverty in Belize and the changes that have occurred since 2002 when the previous assessment was carried out. The information cited is derived, almost entirely, from the Living Standards Measurement Survey (LSMS) conducted for this project in April 2009.

Section 3.2 summarises issues related to the definition of poverty and its measurement. Section 3.3 describes the calculation methodology for the poverty lines while 3.4 describes the poverty indicators used in the study. Section 3.5 describes the current extent of poverty in Belize and provides some international comparisons. Section 3.6 looks at the changes in poverty since 2002 for the country as a whole, districts and urban and rural areas. Finally section 3.7 contains an assessment of the implications project for this study arising from the preceding analysis²⁶.

3.2 The Definition of Poverty and its Measurement

3.2.1 Definitions of Poverty

Literature on the nature and definition of poverty abounds to the extent that it is not possible for this or any other CPA to review this body of work in any detail. A realistic starting point can be provided by citing some of the definitions used:

'The condition of being without adequate food, money, etc.' – The Collins English Dictionary

'(Having) an income which, even if adequate for survival, falls radically behind that of the community as a whole' – J.K. Galbraith, 1962

'(The) inability to attain a minimum standard of living' – World Bank, 1990.

'(The) deprivation of essential assets and opportunities to which every human being is entitled' – Asian Development Bank, 1998.

'(The) pronounced deprivation of well-being' – World Bank, 2000.

At some risk of over-simplification, definitions of poverty have, over time, become more all-embracing in nature, incorporating concepts such as voicelessness, powerlessness, vulnerability, lack of self-esteem and lack of opportunity, rather than being confined simply to the inability to satisfy basic consumption requirements. In other words, poverty is no longer seen as a single dimensional issue related to inadequate income but one which is multi-faceted:

"Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read. Poverty is not having a job, is fear for the future, living one day at a time. Poverty is losing a child to illness brought about by unclean water. Poverty is powerlessness, lack of representation and freedom". (WB, 2008).

²⁶ Unless otherwise stated all monetary information is given in Belize (Bz) dollars and all tables are sourced from the analysis of the LSMS.

There are two underlying threads in this definition. The first is that poverty is essentially related to the notion of absence, lack or deprivation of factors which are necessary for an acceptable quality of life. The second is that the World Bank now sees income poverty as a sub-component of wellbeing, which also includes the notions of vulnerability and inequality.

- **Vulnerability:** groups, households, individuals who may not be income poor but who could be if they were affected by particular shocks, e.g. natural disasters, sudden ill health.
- **Inequality:** the lack of wellbeing arising from the unequal distribution of income, consumption or other attributes across the population.

In line with this thinking, this and other CPAs do not confine themselves to an analysis of income poverty but also include aspects such as:

- lack of basic needs, e.g. water, roads, adequate housing, basic education and health services.
- lack of wellbeing resulting from insecurity, vulnerability, and inequality, as well as basic needs.

This multi-faceted definition of poverty also reflects the situation in Belize. Box 3.1 summarises the different faces of poverty identified during the consultations undertaken in 2005 as part of the review and updating exercise for the NPESAP. Of particular note are the social, psychological and spiritual factors identified, all of which relate to aspects of vulnerability, insecurity, and general loss of wellbeing. These factors are still relevant today and emerged loud and clear from the PPAs conducted for this study.

Box 3.1. The Multiple Faces of Poverty in Belize

Economic	Social	Psychological	Spiritual
Lack of jobs and employment opportunities	Increased crimes in the home and on the streets, including gender-based violence and violence against children	Low self-esteem and feelings of worthlessness	Loss of family morals and values which leads to a lack of love in the home and in communities
Underemployment and low wages	Not being able to send children to school and not being able to read and write well	Hustration, depression and apathy which leads to non-participation in personal and community development initiatives, violence and addictive behaviours	People don't have good, positive priorities anymore and are lost spiritually
People being left with all their produce which they can't sell	People dying and suffering from not being able to get basic affordable and accessible health care	Hopelessness about the future so people don't care what happens to them or their families	People losing faith in politicians and leaders in general
People selling their produce to marketing board but not being paid until months or years later	The breakdown of critical institutions such as the family, community organizations and associations, governments at all levels, legal systems so these are not working to address people's needs	Cynicism towards new projects and programmes and consultative processes because "nothing ever comes out of them"	People turning to faith-based organizations and praying to cope as a way of coping with poverty
Small businesses closing down because of no support and too many taxes	Children having children and not taking care of them	Suffering and hardship when you have to live on the streets, or in and out of prison and get kicked out of the home due to HIV	A lack of community spirit to work together to get out of poverty
No money for poverty programmes because of corruption and too much borrowing	Much too many absentee fathers	Dependency on politicians to get things done	Unfeeling, uncaring people with no empathy for elderly, HIV/AIDS affected people,
Child labour and commercial sexual exploitation	Greater disadvantages for elderly, PLWHAs, and disabled people		Lost traditional spirit of volunteerism

Source: NHDAC, 2006, *NPESAP 2006-2010 – Public Consultation*, Belmopan.

The perceptions summarised above in Box 3.1 show a high degree of consistency with those from the worldwide study of poverty and well-being undertaken by the World Bank in 2000²⁷. Box 3.2 summarises key features of well-being and its converse, ill-being. Both Boxes clearly point to the importance of non-material aspects of poverty and well-being.

Box 3.2. Generic Features of Well-being and Ill-being

Well-being	Ill-being
<u>Material</u> : having enough	<u>Material</u> : lack and want of food, housing and shelter, livelihood, assets and money.
<u>Physical</u> : being healthy, strong and looking good	<u>Physical</u> : pain and discomfort exhaustion and poverty of time
<u>Social</u> : bringing up and settling children Having self respect, peace and good relations in the family and community Having security, including civil peace, a safe and secure environment Personal physical security and confidence in the future.	<u>Social</u> : Bad relations with others, including within the family. Worry, low self-confidence, rejection, isolation and loneliness. Fear and exclusion. Insecurity, vulnerability and helplessness.
Having freedom of choice and action, including being able to help other people in the community.	Powerlessness, frustration and anger.

Source: Adapted by the Study Team from *Voices of the Poor*, op. cit.

3.2.2 *Income and Non-Income Poverty*

In general, there will be a high correlation between lack of income, lack of basic needs and lack of well-being – people and households with inadequate income are likely to be suffering from an increased vulnerability to changing economic and social circumstances, reduced income-earning potential, inadequate housing, lack of basic infrastructure (safe water, electricity, reasonable road access), susceptibility to household disruption due to domestic violence, teenage pregnancy, drug use, and HIV/AIDS. The converse will also be true more often than not; poor households are far less likely to be affected by loss of well-being.

However, this correlation is far from total. On the one hand, low income communities or cultures may not consider themselves to be poor (*‘We are poor but we are not in poverty’*) if they consider that their basic needs (food, utilities, employment, etc.) are being met and if they see their local community as supportive and non-threatening. On the other hand, households which are not poor may experience a serious lack of well-being if they are affected by social problems of a general (e.g. endemic crime/ violence or racial discrimination) or intra-household (e.g. drug use, domestic infidelity, violence and abuse) nature.

Another way of looking at many of these non-income factors is that they are sources of potential future poverty if they are left unattended. Thus, these problems could result in loss of future income, thereby causing the household to slip into poverty or they could start imposing costs on society through non-achievement, additional policing, remedial social services, and increased need for direct social assistance.

²⁷ Narayan D., Patel R., Schafft K. Rademacher A. and Koch-Schulte S., 2000, *Crying out for Change: Voices of the Poor*, Chapter 2, World Bank/ Oxford University Press. The study was one of the first to adopt a participatory rather than a quantitative methodology.

Recent IDB research²⁸ examines these relationships. Countries with higher levels of per capita income have higher levels of satisfaction (*with one's own life*); but this divergence reduces as incomes increase, i.e. satisfaction levels increase much more slowly once per capita income attains US\$8,000 (PPP). At the individual level, satisfaction levels also increase with household incomes. However, correlations based on individuals' perception of their *'standard of living'* are much weaker, both nationwide and across income groups. The report also shows that individuals tend to be more positive about their personal situation than about their view of the national situation with this divergence being greatest in Latin America. Notwithstanding the fact that the report identifies several counter-intuitive relationships, e.g. satisfaction levels are lower in countries where per capita incomes increased fastest, the basic relationship between income, especially for lower income households, appears solid.

3.2.3 *Absolute and Relative Poverty*

The Galbraith (1962) definition cited previously is notable in that it introduces the notion of 'relative' as opposed to 'absolute' poverty. 'Absolute' poverty implies a standard below which the household could not survive in a healthy or satisfying way. In contrast, 'relative' poverty is concerned with the inequality in incomes (or consumption) between different groups with no reference to the level of actual income.

There are advantages and disadvantages of both approaches. Approaches to poverty based on 'absolute' poverty are generally easier to conceptualise – all that is needed is an accepted definition of what is needed for a healthy and satisfying life. Poverty reduction strategies and programmes can then be targeted at ensuring that all families have the means (financial or otherwise) to achieve this minimum standard. Unfortunately, specifying the minimum standard is easier said than done (see below). In addition, in developed nations where absolute poverty is low and most basic needs are met for the great majority of households, issues of equity and inequality become of increasing importance – factors which are not amenable to analysis or countermeasures if absolute criteria are adopted.

In consequence, many countries use relative standards (e.g. incomes below 50% or 60% of the national median) as the primary criterion of poverty. Such definitions provide an easier way of estimating the overall level of poverty. The relative approach also reflects a justified pre-occupation with inequality and an often instinctive reaction to make comparisons whether on a household, national or international level. However, relative approaches to poverty assessment also have their problems. For instance:

- doubling everyone's real income will produce no change in the level of poverty if a relative measure is used; and
- policies (e.g. highly progressive tax regimes) to bring about a significant redistribution of income (or wealth) do not figure highly on most political agendas.

Issues of inequality do not just relate to income. Unequal access to services (e.g. health and education) can have a direct impact on poverty, while inequities in the distribution of project benefits or political biases can fuel resentment and, sometimes, social discontent.

²⁸ Lora E. / IDB, 2008, *Beyond Facts: Understanding Quality of Life*, IDB/ Harvard; <http://www.iadb.org/publications/book.cfm?id=1775002&lang=en>

3.2.4 *Types of Poverty*

Poverty is also not a constant phenomenon. Households can move in and out of poverty over time. This phenomenon is often typified as transitional poverty. Transitional poverty can arise from two basic types of causes: external (i.e. economic, conflict and natural disasters) or household related (e.g. ill health, retirement from employment, disability, family breakup).

Transitional poverty can be temporary such as with short-term unemployment, reduced or increased expenditure as a result of a child arriving and other changes in household composition, short-term illness/ injury of an income earner. On the other hand, job promotion, finding new employment, job promotions or increased wages, increased agricultural prices, a child becoming an income earner, an inheritance can cause a household to move from being poor to not poor.

If these impacts are temporary or slight, the change in a household's poverty status can be short-lived – either way. If however they are persistent, the change can be much longer lasting and the potential for reversing the fall into poverty may be limited. When this occurs, e.g. through continued absence of job opportunities, loss of agricultural markets or long term price declines, it is sometimes known as chronic poverty, e.g. a household remains poor. This is often termed chronic poverty.

Chronic poverty is usually defined as poverty which persists in the same household over a relatively long period (e.g. a minimum of 10 years); it is often inter-generational, i.e. the previous generation of the household was also poor. It results from factors such as a persistent absence of economic assets or non-agricultural job opportunities often reinforced by poor education and health which make it difficult for income earners to access employment even when these are available - all of which prevent a household from getting out of poverty. However, chronic poverty can also result from family related issues such as neglect, abandonment, domestic violence, unplanned pregnancy, crime and drug use serial or violence, crime and drug use. These types of antisocial and risky behaviour can induce a cycle of inter-generational poverty which may prove very difficult to break.

Notwithstanding, recent research²⁹ shows that the great majority of reasons why households fall into poverty, or escape from it, have, in some way or other, their basis in economic factors – around 80% for those moving out of poverty and 60% for those falling into poverty. Also notable is the finding that around 30% of households falling into poverty between 1995 and 2005 were related to family and health problems or natural disasters.

3.2.5 *The Measurement of Poverty*

Given the difficulties in defining poverty, it is no surprise that the measurement of poverty is also problematic. Most poverty assessments start with the derivation of a poverty line based on household income/ expenditure. These generally, but not always, involve two elements: food expenditure and non-food expenditure. While the specification and costing of a minimum food basket to provide an adequate diet can be done reasonably objectively, the same cannot be said of non-food expenditures – expenditure

²⁹ Narayan D., Pritchett L. and Kapoor S., 2009, *Moving out of Poverty: Success from the Bottom Up*, World Bank/ Palgrave Macmillan; <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTMOVOUTPOV/0,,contentMDK:22095628~menuPK:2107081~pagePK:148956~piPK:216618~theSitePK:2104396,00.html>

for water and other utilities is essential as would be minimum amounts for health, education and transport, but what about television, religious celebrations, holidays away from home? Households will also have varying needs: households without children will need little expenditure for education while health costs will be much greater for those containing elderly persons. The difficulties in defining a minimum 'basket' of non-food expenditures has led many countries to adopt poverty lines based wholly or partly on relative measures, which although easier to derive and apply, give rise to the conceptual problems described in the preceding paragraph.

The problem of measurement becomes more complicated if one attempts to introduce the more abstract notions related to well-being. There are measures of overall poverty such as the Basic Needs Index (BNI) or the Human Development Index (HDI) which give increased importance to non-monetary aspects of poverty, e.g. provision of basic infrastructure, life expectancy, access to education, and infant mortality. However, these measures also have their shortcomings:

- they are of limited use in countries where the provision of basic infrastructure is high, along with school enrolment and life expectancy;
- the HDI, in particular, is not computable at the household level; and
- they do not embrace the more abstract aspects of well-being such as vulnerability, powerlessness, lack of self-esteem, and lack of opportunities.

Even if one could define and quantify well-being, there remains the issue of how to combine this with measures of income poverty. These issues have yet to be resolved through research and/ or consensus among the international agencies. Yet a more accurate measurement of poverty is critical if poverty reduction strategies, programmes, and policies are to be designed, implemented, and monitored.

In consequence, the World Bank, the Caribbean Development Bank and other agencies continue to rely on country-specific income/expenditure-based poverty lines as the starting-point for Country Poverty Assessments.

3.3 The Calculation of Poverty Lines in Belize³⁰

3.3.1 General

As described above, the CPA methodology requires the calculation of two poverty lines:

- The Household Indigence Line (HIL) which represents the minimum cost of a food basket (MFB) needed to provide a healthy diet for an adult male. Households whose expenditure is below this amount are defined as either indigent, critically poor or severely poor.
- The General Poverty Line (GPL) which is made up of the HIL together with an allowance for non-food expenditure.

The data needed for these calculations are the following:

- The cost of the MFB to calculate the HIL.

³⁰ More detailed descriptions of the methodology used to calculate the poverty line and associated indicators is contained in Volume 2.

- Adult Male Equivalent (AME) to allow for the different food requirements of males and females of different ages.
- The pattern of household expenditure, food and non-food to calculate the GPL.

In order to ensure comparability with the results of the 2002 CPA, the methodology used to derive these values in this study have been replicated from the 2002 study. It is also broadly the same as that used in other recent Caribbean CPAs – the main difference being that separate poverty lines are derived for each of Belize’s 6 districts.

3.3.2 Data Requirements

The Minimum Cost Daily Food Basket

The Minimum Cost Daily Food Basket (MFB) is the cost required to provide an adult male with a diet of 2,400 calories per day, taking into account local dietary preferences and the need for a balanced diet. Different food baskets were calculated for each district – two of which contained two food basket areas. The MFBs used in this study were prepared by a PAHO/CFNI nutritionist based on food baskets used for previous CPAs and knowledge of local dietary characteristics. Prices were derived using the lowest prices collected by the SIB in their regular Consumer Price Index (CPI) surveys³¹. The computations were made using proprietary Caribbean Food and Nutritional Institute (CFNI) software. The cost for an adult male was calculated to be \$2,005 per annum³² (Table 3.1). The highest MFB cost was found to be in Toledo district (\$6.12/day) which was also the case in 2002 (\$4.29/day) while the lowest was in Cayo district, which includes Belmopan.

Table 3.1. Minimum Food Basket Costs for an Adult Male, 2002 and 2009

District	Daily Cost		Annual Cost	
	2002	2009	2002	2009
Belize*	\$ 3.64	\$ 5.36	\$ 1,328	\$ 1,958
Cayo*	\$ 3.03	\$ 4.91	\$ 1,105	\$ 1,791
Corozal	\$ 3.41	\$ 5.35	\$ 1,244	\$ 1,953
Orange Walk	\$ 3.33	\$ 5.32	\$ 1,215	\$ 1,942
Toledo	\$ 4.29	\$ 6.12	\$ 1,565	\$ 2,234
Stann Creek	\$ 3.41	\$ 5.99	\$ 1,244	\$ 2,186
Country	\$ 3.47	\$ 5.50	\$ 1,265	\$ 2,005**

* 2009 MFB costs for these two districts were based on weighted averages of two food basket areas in each district: for Belize - Belize City and San Pedro; for Cayo - Belmopan and San Ignacio/ Santa Elena and Benque.

** Weighted average.

Source: Prices (SIB); composition of MFB (PAHO/CFNI consultant).

³¹ Costs were collected for the main urban centers; comparisons with rural area prices for the same commodities did not show significant price differences.

³² During this period (May 2002 to May 2009), the food CPI increased by 40% whereas there was an increase of 58% in the MFB. SIB confirmed that the 2009 data was based on lowest and not average prices.

Adult Male Equivalents

Each household is composed of a different number of males and females of different ages. These groups will have different dietary requirements. Calculating the minimum dietary needs solely on the basis of cost for an adult male would thus overestimate the food costs necessary for the household to achieve a healthy diet. As a result, the minimum MFB for each household is calculated by adjusting for the household's age-sex composition. These Adult Male Equivalents (AMEs) are shown in Table 3.2. They are the same as used in 2002 and in other ongoing CPAs.

Table 3.2 Adult Male Equivalents

Age Group (years)	Male	Female
Less than 1	0.270	0.27
1 to 3	0.468	0.436
4 to 6	0.606	0.547
7 to 9	0.697	0.614
10 to 14	0.825	0.695
15 to 18	0.915	0.737
19 to 29	1.00	0.741
30 to 60	0.966	0.727
61+	0.773	0.618

Source: 2002 CPA

Based on the above AMEs, the household AME is obtained by summing the AMEs for each household member taking into account their age and sex. As an example, suppose a household consists of a baby, a 2-year old girl, a 5-year boy, a father aged 35 and a mother aged 29. Then the household AME value would be: $(0.27 + 0.436 + 0.606 + 0.966 + 0.741) = 3.019$, substantially less than the household size of 5.

Household Consumption Data³³

Table 3.3 summarises information on the distribution of household expenditure by quintile³⁴. As one would expect, the proportion of expenditure devoted to food decreases across the quintiles from 67% for Q1 to only 27% for the richest quintile. Average spending per household is around BZ\$16,800 per annum almost double the average expenditure in the lowest quintile; the median value (\$13,000) is, however, more representative, as it excludes the disproportionate effect of a few very rich households. Average per capita expenditure is around \$4,200, over three times the figure for the lowest quintile; the median is just under \$3,000. AME, as opposed to per capita values are higher – average c. \$8,100 and median c. \$3,900 – as much of the population does not consist of adult males.

³³ Consumption = household expenditure + gifts in kind + consumption of home-produced goods. Consumption is conventionally used as the primary indicator of poverty in preference to income which is harder to assess, subject to greater fluctuations and cannot be disaggregated into food and non-food components. In this report, the terms 'expenditure', 'consumption' and 'spending' are treated synonymously.

³⁴ The quintiles are obtained by sorting the households by per capita household expenditure and dividing them into five groups such that each quintile contains 20% of the total population.. The first quintile (Q1) thus contains the 20% of the population with the lowest per capita expenditures through to Q5 which represents the 20% of population with the highest spending. As larger households tend to be poorer, the number of households per population quintile increases through the distribution.

Table 3.3 Household Expenditure Data by Income Quintile

ITEM	Q1	Q2	Q3	Q4	Q5	All
% of households	13%	16%	18%	22%	30%	100%
Average household size	6.2	4.9	4.4	3.6	2.7	4.0
Average household spending BZ\$*	7,399	10,012	13,057*	16,003	27,468	16,769
Average spending per capita BZ\$	1,201	2,026	2,973*	4,440	10,116	4,153
Average spending per AME BZ\$	1,623	2,684	3,933*	5,747	12,958	8,143
% total spending	5.8%	9.8%	14.3%	21.4%	48.8%	100.0%
Cumulative % spending	5.8%	15.6%	29.7%	51.2%	100.0%	
Food expenditure as% of total household spending	67%	53%	50%	41%	27%	38%

* Approximate median values.

The household expenditure data will be used, particularly the food share proportions, to determine the non-food component of the general poverty line. It will also be a basis for deriving the Gini coefficient, which provides a commonly used measure of the inequality of the income distribution.

3.3.3 Calculation of the Household Indigence Line (HIL)

The HIL is defined as the cost of the MFB for an adult male multiplied by the household AME value. If the household has a total annual expenditure below this amount, it means that it is unable to satisfy its basic food needs. This procedure is repeated for every household in the LSMS database.

3.3.4 Calculation of the General Poverty Line (GPL)

The calculation of the GPL involves adding a component for non-food expenditure to the MFB/Indigence Line. In line with the 2002 Belize CPA and other current studies, the non-food element of the poverty line is calculated by multiplying the MFB by the reciprocal of the proportion of total household expenditure spent on food items by the 40% of the population with the lowest per capita expenditures. This calculation is replicated for each district³⁵; the results are shown in Table 3.4. General poverty lines for each household were then calculated by multiplying the GPL by the household AME value. Households with total expenditures below this value were categorised as poor.

3.3.5 The Vulnerable to Poverty Line (VPL)

The VPL provides an indication of the households (or population) with expenditures just above the poverty line who could fall into poverty as a result of a relatively small decrease in income or increase in consumption, e.g. when a child grows up³⁶. In common with current practice, the VPL is set at 25% above the general poverty line. It should be noted that this is a normative assumption and is not based on any 'objective' methodology; it is designed to give an indication of the size of group with incomes expenditures close to, but above, the poverty line.

³⁵ There were two food basket areas within these districts.

³⁶ In a household of 3 persons, a child becoming a teenager would increase consumption requirements by around 5%.

Table 3.4. District General Poverty Lines

District	MFB Annual (\$)	Food share *	Multiplier (1 / % food)	Annual General Poverty Line (\$)
Belize – Belize City and environs	1,920	50%	1.98	3,810
Belize – San Pedro	2,354	45%	2.24	5,279
Cayo - Belmopan	2,088	56%	1.79	3,730
Cayo – San Ignacio/ Santa Elena	1,621	54%	1.84	3,537
Corozal	1,952	64%	1.56	3,041
Orange Walk	1,941	59%	1.70	3,308
Toledo	2,233	81%	1.23	2,753
Stann Creek	2,186	56%	1.79	3,906
Country	2,005	58%	1.71	3,429**

* Of lowest 40% of households ranked by per capita expenditure.

** Weighted average.

Source: CPA Study Team.

3.3.6 *The Not Poor*

A household is defined as not poor if it has an expenditure more than 25% higher than the poverty line. Even this group is not immune from poverty if a severe income loss occurs due to unemployment, the need for a major health operation, long-term injury or death of the primary income earner or their departure from the household without continuing to provide support to dependent children.

3.4 *Poverty Indicators*

Four commonly used poverty indicators were calculated from the poverty lines.

3.4.1 *The Headcount Ratio (or poverty level)*

The Headcount Ratio is simply the ratio of the total number of poor households (or population) to total households (or population). A similar ratio is used to assess the level of indigence or critical poverty.

3.4.2 *The Poverty Gap*

The poverty gap is the sum of the differences, for all poor households, between their expenditure and the poverty line. The poverty gap index is the percent of the poverty line that each person in the population would have to provide in order to make up for the expenditure shortfall of the poor.

3.4.3 *The Poverty Gap Squared*

This measure is similar to the poverty gap, and is based on the sum of the squares of the differences, for all poor households, between their expenditure and the poverty line. It therefore gives much greater weight to the poorest households.

3.4.4 *The Gini Coefficient*

The Gini coefficient is a commonly used indicator of relative poverty. It is not based on the poverty lines but on the expenditure distribution of the whole population. The Gini represents the deviation of the actual expenditure distribution from one that is perfectly equal, e.g. assuming every person had the same consumption. It has a value between 0 and 1 where 0 would denote a completely equal distribution and

1 would denote a completely unequal one. Although widely used, the relationship between the Gini coefficient and other poverty/ income variables is not consistent. One can thus have a high poverty rate and low Gini coefficient and vice versa; for instance, Australia, Algeria and Bangladesh all have very similar Gini coefficients.

3.5 The Level of Poverty in Belize in 2009 and International Comparisons

3.5.1 Poverty in Belize in 2009

Table 3.5 and Figure 3.1 summarise the results of the LSMS regarding poverty in Belize in 2009.

Table 3.5. The Extent of Poverty in Belize, 2009

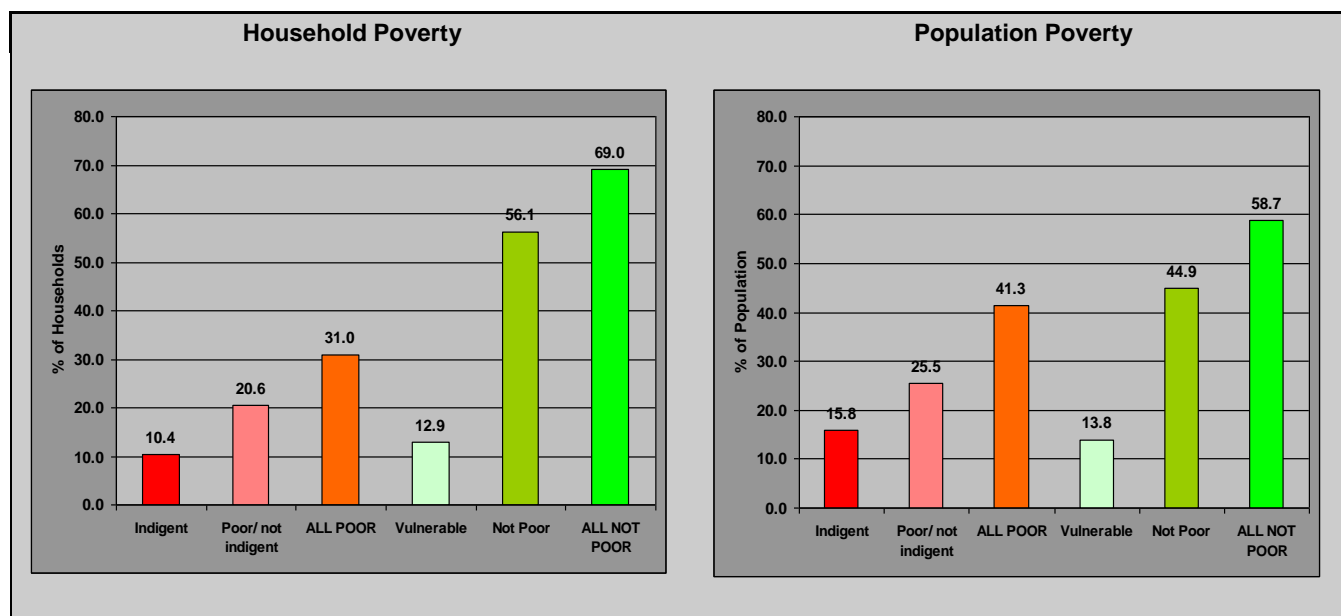
Category	Indigent	Poor/ not indigent	All Poor	Vulnerable	All Not Poor*	Total
Households	8,539 10.4%	16,852 20.6%	25,390 31.0%	10,583 12.9%	56,510 69.0%	81,900 100.0%
Population	52,185 15.8%	84,455 25.5%	136,640 41.3%	45,614 13.8%	194,074 58.7%	330,715* 100.0%
Poverty Gap Index	11	Poverty Gap Squared Index		5	Gini Coefficient**	0.42

NB. National figures for households and population are based on SIB 2009 mid-year population estimates for each district and were obtained through the application of weighting factors to the LSMS sample.

* Including vulnerable.

** Population based.

Figure 3.1. Poverty in Belize, 2009



The Table shows that in April 2009, when the LSMS was carried out just under a third of Belizean households were in poverty whilst around 10% were indigent, i.e. with incomes insufficient to enable them to even enjoy a healthy diet, let alone spend money on essential non-food expenditure. Another 13% were classified as vulnerable to poverty and 56% are not poor. In this context, it is worth noting that, at the community level, almost 40% of village leaders interviewed as part of the Village Survey considered that their villages were not poor.

The comparable proportions of the population are, as is almost always the case due to the greater propensity for large households to be poor, are significantly higher: 41% are poor (including the 16 % who are indigent), 14% are vulnerable and around 45% are not poor. Overall 69% of households and 55% of the population of Belize are not poor.

3.6 Changes in Poverty between 2002 and 2009

3.6.1 Changes in Household and Individual Poverty at National Level

Table 3.6 and Figure 3.2 show how levels of household and individual poverty in Belize changed between 2002 and 2009. The Table shows that poverty in Belize increased substantially between 2002 and 2009. Household poverty increased by around 27% from a quarter of all households to just under a third. In consequence, the proportion of not poor households decreased from 76% to 69%. The increase in indigent households was greater, just under 40% (although lower in absolute terms). Similar trends are observed in terms of population – an increase from 34% to 41% - although in this case, the increase in indigence was 46%. The implication is that larger households are finding it increasingly difficult to make ends meet³⁷.

Table 3.6. Poverty in Belize, 2002 and 2009

Category	Variable	Year	Indigent	Poor*	All Poor	Not Poor	Total
Households	%	2002	7.5	17.0	24.5	75.5	100
	%	2009	10.4	20.6	31.0	69	100
Change 2002-2009	%age points**		2.9	3.6	6.5	-6.5	
	As % of 2002		39%	21.2%	26.5%	8.6%	
Population	%	2002	10.8	23.0	34.1	67.0	100
	%	2009	15.8	25.5	41.3	58.7	100
Change 2002-2009	%age points		5.0	2.5	7.2	-8.3	
	As % of 2002		46.0%	10.9%	21.1%	-12.4%	

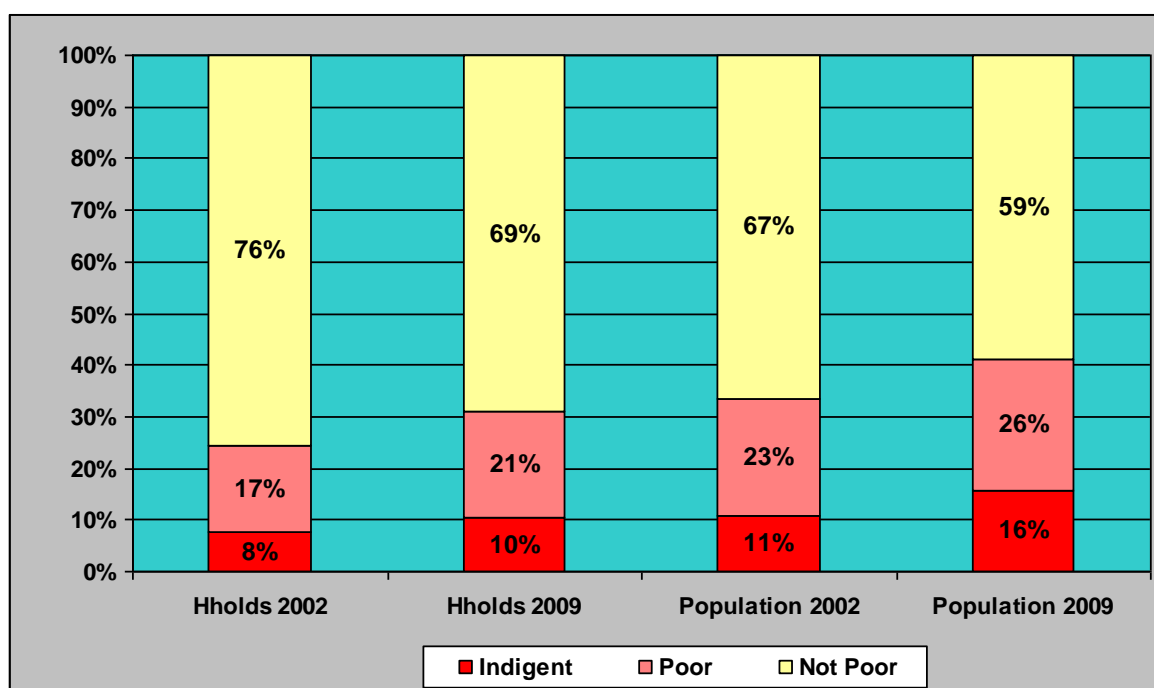
* Poor but not indigent.

** I.e. 2009 percentage – 2002 percentage.

Source: 2002 CPA and LSMS.

³⁷ This aspect is examined in more detail in the next Chapter.

Figure 3.2. Poverty in Belize, 2002 and 2009



There are several reasons for this sharp increase in poverty:

- The sluggish economy: though the economy grew fast between 2002 and 2003, real per capita income has barely increased since then. Total employment decreased between 2007 and 2009, and unemployment jumped to 14%.³⁸
- Growth sectors during this period include the construction hot spots of San Pedro and the Cayes, and to a lesser extent, Placencia – none of which, due to their location, was able to provide much of a multiplier impact on the wider economy. The same applies to the oil sector.
- In contrast, two previous mainstays of the economy, sugar cane and bananas, which have substantial multiplier impacts, experienced serious setbacks in 2006/07, with the value of production decreasing by 13%. Banana production decreased by 15% between 2003 and 2007, while cane production in 2007/08, despite an increased acreage, was over 20% lower compared with 2006/07³⁹. Between 2003 and 2007, the overall index of agricultural production barely increased, while the total value of agricultural production decreased by 13% from 2004 to 2008. The decline in the fishing industry was considerably greater, at 37% and agricultural employment has declined by 13% in the last 2 years.
- In 2009, the effects of the global recession were seriously felt in Belize and growth in 2009 is now projected to be negative, implying a significant decrease in real incomes. Imports into the Corozal Free Zone have also decreased by 39%⁴⁰.

³⁸ See Economy section in previous Chapter.

³⁹ SIB, 2008, Annual Abstract of Statistics; more recent data not available. The travails of the cane industry are also evidenced by the serious industrial disruption that occurred early in the year.

⁴⁰ <http://www.7newsbelize.com/sstory.php?nid=15387&frmsrch=1>.

- Corozal and Orange Walk districts were both ravaged by hurricane Dean in 2007. Around 6,000 people were severely affected through damaged or destroyed housing, but the number of those affected through loss of crops has been estimated at around 21,000, equivalent to over a quarter of the population of these districts. Total agricultural losses were estimated to be around BZ\$115 million, over half of which was accounted for by the papaya sector⁴¹.
- Large parts of the country's rural area were hit by very severe floods in 2008 leading to loss of property, assets and, most significantly, crops. The impact of these floods would still have been felt when the LSMS was undertaken in May.

While the above changes largely affect the rural economy, where around half the population resides, they will have a knock-on effect on the economy of market towns such as Corozal and Orange Walk. The sharp increase in poverty shown by the 2009 LSMS should not therefore be seen as completely unexpected. It should however be remembered that despite this increase in poverty levels, the majority of the Belizean population is not poor. Furthermore, population indigence and poverty levels are lower than in neighbouring countries.

3.6.2 Changes in Household Poverty at District Level

Table 3.7 and Figure 3.3 show that while indigence and poverty have increased in all districts except Toledo, the extent of the changes varies considerably.

Table 3.7. District Level Household Poverty Rates, 2002 and 2009

District	Year	Indigent	Poor	All Poor	Not Poor	Total
Corozal	2002	5.0	14.9	19.9	80.1	100
	2009	15.7	30.4	46.1	53.9	100
Orange Walk	2002	4.3	18.9	23.2	76.8	100
	2009	11.4	25.3	36.7	63.3	100
Belize	2002	3.7	14.7	18.4	81.6	100
	2009	3.9	17.0	20.9	79.1	100
Cayo	2002	3.1	17.4	20.5	79.5	100
	2009	7.1	22.7	29.8	70.2	100
Stann Creek	2002	4.9	21.0	25.9	74.1	100
	2009	11.9	19.8	31.7	68.3	100
Toledo	2002	45.0	22.3	67.3	32.7	100
	2009	37.5	8.9	46.4	53.6	100
Country	2002	7.5	17.0	24.5	75.5	100
	2009	10.4	20.6	31.0	69	100

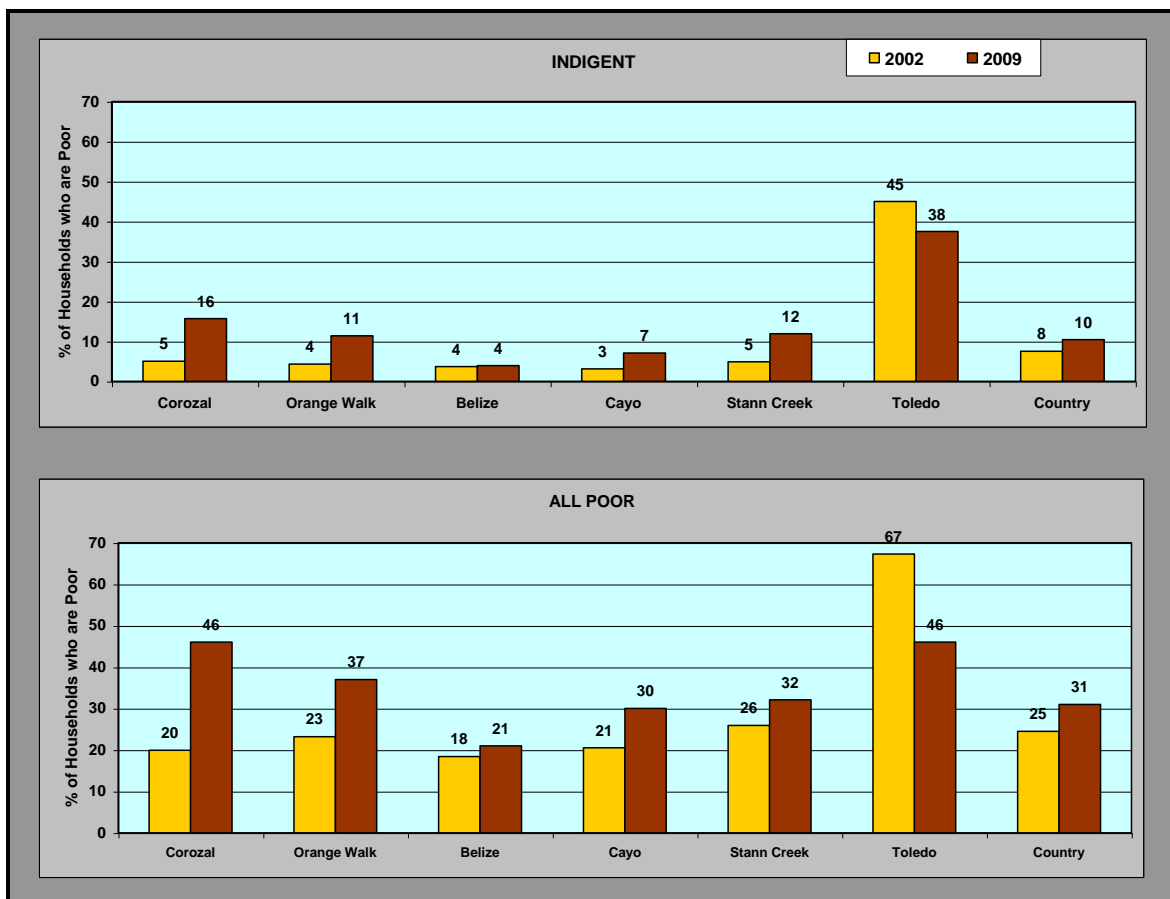
The greatest change has been in Corozal where poverty has doubled and indigence has almost tripled. Its poverty level now approaches that of Toledo. Poverty in Toledo has fallen substantially although this district remains the poorest district in the country with by far the highest level of indigence. Poverty and

⁴¹ Economic Commission for Latin America and the Caribbean (ECLAC and UNDP), 2007, Belize: Macro Socio-Economic Assessment Report of the Impact of Hurricane Dean, Powerpoint presentation.

indigence have also both increased substantially in Orange Walk and Cayo. Increases in Belize and Stann Creek are less pronounced although indigence has risen substantially in the latter.

Figure 3.3. Household Poverty at District Level, 2002 and 2009

NB. In each chart, the **LEFT** column is for 2002 and the **RIGHT** column is for 2009.



A more detailed description of the changes is contained in Table 3.8 along with the most likely reasons for the increase (or decrease) in poverty.

As a result of these changes the distribution of household poverty in the country has changed substantially (Figure 3.4). Overall there has been an evening out, with indigence now being distributed more evenly across the districts.

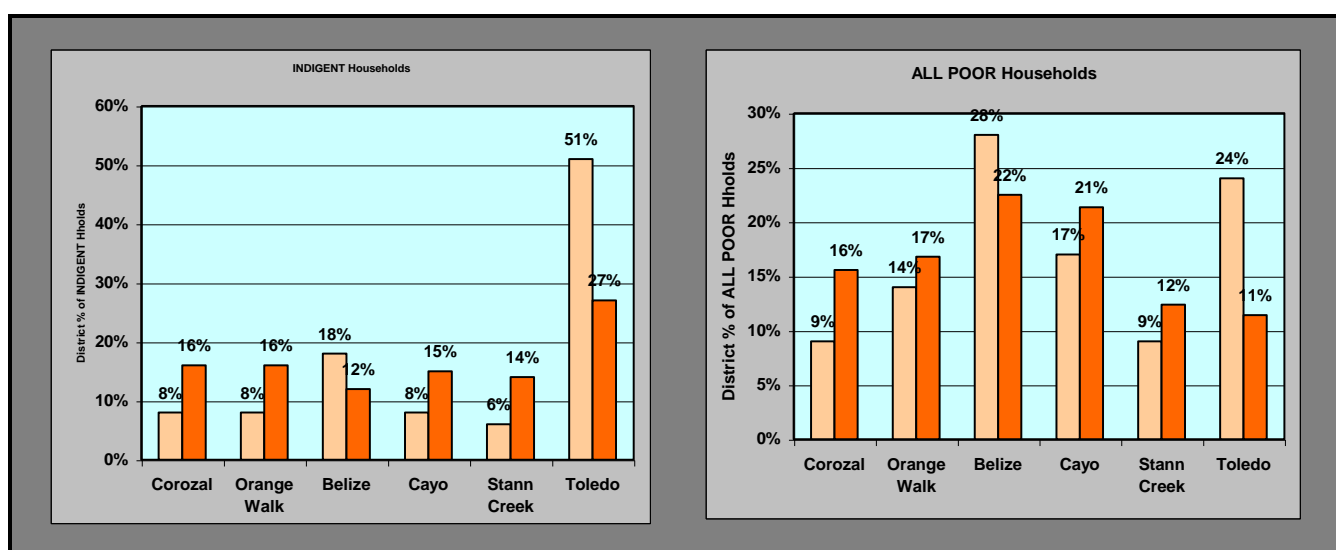
Table 3.8. District Level Changes in Household Poverty, 2002-2009

District	Change, 2002-2009	Indigent	All Poor	Comment	Likely Reason(s)
Corozal (rank in 2002: 2, rank in 2009: 5) ***	Absolute*	10.7	26.2	Major increase in poverty; poverty now almost as high as Toledo although indigence much lower.	Decline in sugar cane sector and some areas very badly affected by 2008 floods as well as hurricane Dean in 2007 which caused an estimated \$115 million of damages.
	Relative**	213%	132%		
Orange Walk (4,4)	Absolute	7.1	13.5	Sharp increase in indigence, 60% increase in poverty.	As for Corozal but to a lesser extent.
	Relative	165%	60%		
Belize (1,1)	Absolute	0.2	2.5	Little change in indigence but 14% increase in overall poverty; remains least poor district.	Sluggish economy whose impact was partly offset by construction boom in San Pedro. Some villages badly affected by flooding. Less affected by problems in agriculture.
	Relative	5%	14%		
Cayo (3,2)	Absolute	4.0	9.3	Sharp increase in indigence, 45% increase in poverty.	Badly affected by 2008 floods.
	Relative	128%	45%		
Stann Creek (5,3)	Absolute	7.0	5.8	Sharp increase in indigence but second lowest increase in overall poverty.	Decline of banana industry counterbalanced by growth in citrus and expansion in Placencia as tourist / condo centre.
	Relative	143%	22%		
Toledo (6,6)	Absolute	-7.5	-20.9	Substantial reduction in poverty but indigence remains almost four times the national average. Remains poorest district but only just.	Less affected by economic downturn due to remoteness, increase in cocoa production, govt. programmes reduce social isolation increasing search for employment in towns. 2002 poverty partly due to devastating hurricane in 2001, not so affected by 2008 floods.
	Relative	-17%	-31%		

* Poverty 2009 – Poverty 2002 (percentage points)
 ** (Poverty 2009- Poverty 2002)/ Poverty 2002 (percentage change).
 *** 1 denotes district with lowest poverty, 6 district with highest poverty.

Figure 3.4. Changes in the Geographical Distribution of Household Poverty

NB. In each chart, the **LEFT** column is for 2002 and the **RIGHT** column is for 2009.



The salient finding in terms of the distribution of indigence is that Toledo continues to have the greatest concentration with over a quarter of the national indigent population, but this is much reduced from the 2002 proportion of around half. The rest of the indigent population is distributed fairly evenly between districts, as it was in 2002, but the proportions have essentially doubled.

The geographical distribution of all poor households is very different. Belize continues to have the highest proportion (just under a quarter in 2009) as it did in 2002, but Toledo now has, with Stann Creek, the equal lowest share of any district, 12% compared with double that in 2002. In contrast, Corozal's proportion has almost doubled from 8% to 19%. Proportions in other districts also increased but to a lesser extent.

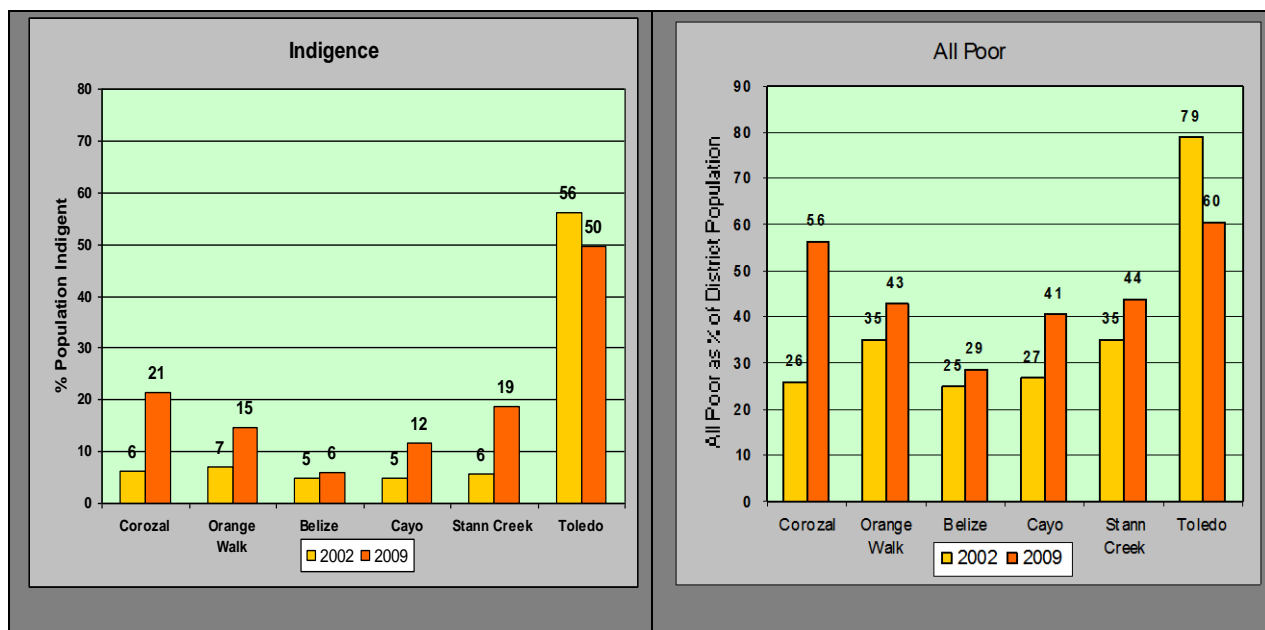
3.6.3 Changes in Individual Poverty

The distribution of individual (population) poverty and the changes since 2002 both generally mirror the pattern exhibited by household poverty. This is shown in Table 3.9 and Figure 3.5. Thus, indigence and poverty levels are much higher in Toledo than elsewhere, despite a decrease from 2002 levels. The indigent population has also increased substantially in every district except Belize, but most notably in Corozal and Stann Creek. Compared to 2002, poverty rates now exhibit much less variation across the country, with relatively little variation among the districts except for Toledo.

Table 3.9. District Level Population Poverty Rates, 2002 and 2009

District	Year	Indigent	Poor	All Poor	Not Poor	Total
Corozal	2002	6.2	19.9	26.1	73.9	100.0
	2009	21.4	34.8	56.2	43.8	100.0
Orange Walk	2002	7.1	27.8	34.9	65.1	100.0
	2009	14.6	28.2	42.8	57.2	100.0
Belize	2002	4.9	19.9	24.8	75.2	100.0
	2009	6.1	22.7	28.8	71.2	100.0
Cayo	2002	4.8	22.6	27.4	72.6	100.0
	2009	11.6	29.1	40.6	59.4	100.0
Stann Creek	2002	5.6	29.2	34.8	65.2	100.0
	2009	18.7	25.0	43.7	56.3	100.0
Toledo	2002	56.1	22.9	79.0	21.0	100.0
	2009	49.7	10.7	60.4	39.6	100.0
Country	2002	11.0	23.0	34.0	66.0	100.0
	2009	15.8	25.5	41.3	58.7	100.0

Figure 3.5. District Population Poverty Rates, 2002 and 2009



3.6.4 Changes in the Gini Coefficient

Table 3.10 shows how income inequality, as measured by the Gini coefficient, has changed in each district. Overall, the national Gini coefficient has increased from 0.4 to 0.42. The district-wise pattern is however very inconsistent with substantial increases in Toledo (where poverty decreased) and Orange Walk (where poverty increased) but a large decrease in Belize City. The net effect of these changes is that there is less variation in district income distributions than existed in 2002 – which reflects the similar finding on the geographical distribution of poverty. This conclusion also holds true with the household-based Gini coefficients⁴².

Table 3.10. District Level Gini Coefficients

District	Population Based			Household based
	2002	2009	Change	2009
Corozal	0.4	0.39	-0.01	0.37
Orange Walk	0.2	0.36	0.16	0.34
Belize District	0.6	0.41	-0.19	0.36
Cayo District	0.3	0.41	0.11	0.38
Stann Creek	0.3	0.41	0.11	0.40
Toledo	0.2	0.46	0.26	0.38
Belize	0.4	0.42	0.02	0.38

⁴² In these comparisons, it is assumed that the 2002 Gini is population based. If this were not the case, the district wise trends shown would be the same but nationally there will have been a slight decrease in income inequality.

3.6.5 *Changes in the Poverty Gap*

Changes in the poverty gap ratio (Table 3.11) generally replicate the changes in overall poverty levels with increases in all districts except for Toledo where the decrease has been substantial; the increase in Corozal underscores the substantial increase in poverty in this district. The information presented is not however directly comparable owing to the imputation of food expenditures where this data was lacking or represented only a small fraction of the MFB⁴³. In consequence, the changes shown in the Table should be interpreted with caution - particularly the implication that there has been negligible change in the overall poverty gap since 2002. These imputations also explain the observed decrease in the Poverty Gap Squared index from 6 to 5 between 2002 and 2009.

Table 3.11. District Level Poverty Gap Index

District	2002	2009	Change
Corozal	7.0	13.9	+6.9
Orange Walk	9.3	10.8	+1.5
Belize District	6.2	7.1	+0.9
Cayo District	6.6	9.7	+3.1
Stann Creek	8.6	12.4	+3.8
Toledo	44.4	19.8	-24.6
Belize	10.9	10.8	-0.1

This Table shows the poverty gap index, the actual poverty gaps for the indigent and all poor households amount to BZ\$20.3 million and BZ\$121.1 million respectively. The indigent poverty gap (which relates directly to MDG1) is equivalent to less than 1% of GDP and around 3% of government expenditure. The equivalent figures for the overall poverty gap are 5% and 17%.

3.6.6 *Food Security*

Information on the extent of food security is presented in Table 3.12 which summarises the results of a series of standard WHO/ PAHO questions on food security. The phrasing and order of the questions is such that each refers to an increasing level of food insecurity.

The Table shows that households above the poverty line are not immune from issues relating to providing food for their families. In general however, these problems are much more likely to occur in poor households. Thus, almost half of poor households are concerned about their ability to provide enough food while between a fifth and a third considered that they, on occasion could not provide enough. Around 12% of poor households experienced hunger and a demonstrable lack of enough food during the last month. More importantly, allied to the fact that the occurrence of these food issues is, for the great majority of households, infrequent (only 4% of poor households mentioned someone goes to bed hungry more than twice in a month), this Table indicates that the great majority of poor households

⁴³ Minimum food expenditures equivalent to 50% of the MFB were imputed where food expenditures fell below this figure. Given that few people are starving (see next section) and that it is always very difficult to obtain reliable data for food consumption in rural areas, this is considered justifiable. It is not known whether such imputations were also made for the 2002 data.

are able to obtain adequate food most of the time – a conclusion confirmed by the PPAs, which revealed little evidence of widespread hunger amongst the population.

Table 3.12. Food Security

Severity	Food Security Issue (in last month)	% of Households Experiencing		
		Poor	Not Poor	All
Low	1. Did you worry that your household would not have enough food to eat?	48(24)*	21(7)	29(13)
Moderate	2. Did you or any household member have to eat a smaller meal than you felt that you needed because there was not enough?	39(18)	15(5)	22(9)
	3. Was there ever no food to eat of any kind in your household because of a lack of resources to get food?	21(9)	6(2)	11(4)
High	4. Did you or any household member go to sleep at night hungry because there was not enough food?	12(4)	2(1)	6(2)
	5. Did you or any household member go a whole day and night without eating anything because there was not enough food?	8(3)	1(0)	4(1)

* Figures in () are problems mentioned as occurring more than twice during reference period.
 NB. Households were expected to respond to all questions.

It is also noteworthy that the response to question 1 for all households approximates the national poverty level (43%) while that for question 4 is close to the indigence level (16%), which gives credence to the overall reliability of the LSMS data.

3.7 International Comparisons

These data represent high levels of poverty and significant levels of indigence. To put them into context, Table 3.13 compares poverty levels and other poverty indicators with those from other Caribbean and neighbouring countries. It should be noted that these international comparisons are not straightforward as the surveys were not undertaken at the same time and the calculation methodologies, although generally similar, do vary. In particular, the current study is the only one of those cited to have taken place since the economic recession hit⁴⁴.

Based on this table, Belize has the highest incidence of population and household poverty of the Caribbean countries shown. Unsurprisingly, its poverty gap is therefore also the highest. It is, however, on a par with Mexico and has significantly lower levels of indigence and poverty than both Guatemala and Honduras. The food share percentage of the poverty line is a good indicator of relative poverty levels, as the food share proportion traditionally tends to decrease with affluence. Belize, at 56%, is generally on par with other countries with not dissimilar levels of poverty, e.g. Dominica, St Kitts and Nevis, Honduras, and Guatemala.

Belize's Gini coefficient is on a par with those for St. Kitts, St Lucia and Trinidad and Tobago, lower than Antigua's but higher than those for Anguilla and Dominica. Its income equality is also substantially greater than those of neighbouring countries.

⁴⁴ Data from concurrent CPAs in Anguilla and Dominica is not yet available.

Table 3.13 Comparative Poverty Indicators

Country	Year**	% Pop indigent	% H'holds indigent	% pop poor*	% H'holds poor	Poverty Gap Index	Gini coeff.	Food as % of Poverty Line
Caribbean Countries								
Belize	2009	16	10	42	31	11.4	0.42	58%
Anguilla	2002	2	2	21	18	6.9	0.31	39%
Antigua	2005/6	4	3	19	na	6.6	0.48	39%
Dominica	2002	15	11	39	29	10.2	0.35	59%
St. Kitts	2000	10	na	31	16	9.1	0.40	64%
St. Lucia	2005	2	1.2	29	21	9	0.42	31%
Trinidad & Tobago	2005	1	na	16	na	4.6	0.39	38%
Neighbouring Countries								
Guatemala	2000	16	na	56	na	22.6	0.48	44%
Honduras	2006	24	na	51	na	22.3	0.46	51%
Mexico	2006	14	na	43	na	na	0.55	na

* Including indigents.

** Dates of surveys and not reports.

Source: Country Poverty Assessments, Kairi Associates and Halcrow for CDB (Caribbean Countries); World Bank, <http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPOVERTY/EXTPA/0,,contentMDK:20204102~menuPK:443285~pagePK:148956~piPK:216618~theSitePK:430367,00.html> (others).

3.8 CPA Implications

The most important conclusions arising from the preceding analysis are:

- A major increase in indigence and overall poverty in Belize since 2002.
- These increases have occurred through largely exogenous factors, i.e. factors largely outside the control of GoB such as reductions in preferential quotas by the EU, the global economic recession and natural disasters, hurricanes and flooding.
- These increases have affected urban and rural areas alike, but poverty (especially severe poverty) remains substantially higher in rural areas. The changes at district level have been much more varied. All districts except Toledo have experienced increases in poverty and indigence due to the above factors, from which Toledo has remained to some degree immune as a result of its low connectivity to the mainstream economy. The level of severe poverty in Toledo, however, remains far higher than in the rest of the country.
- The impact has been greatest in Corozal, which from ranking fifth out of six districts in 2002 in terms of the incidence of poverty, is now the second poorest district after Toledo. Corozal was hit by severe storms and flooding in 2007 and 2008 and as well as the travails of the banana industry.
- The overall result of these changes is that poverty is more evenly distributed across the country and that the situation in Toledo is no longer as 'anomalous' as it was in 2002.
- Nationally, there has been a slight increase in income inequality although this masks the fact that income inequality has increased in most districts. As a result, the wide variations in income inequality which existed in 2002 have largely disappeared.

- Notwithstanding comparability issues, while Belize now has a high poverty relative to other Caribbean countries, it is lower than those prevailing in Guatemala and Honduras.

The two main implications of these findings for the CPA are the following:

- The need to devise measures which seek to promote economic activity and job creation. It should however be appreciated that GoB, and governments everywhere, have limited scope to directly promote job creation – otherwise, the ‘problem’ would not exist, having been ‘solved’ by governments elsewhere.
- If the priority is reducing severe poverty (as per MDG1), continued efforts need to be made in Toledo. If, on the other hand, the priority is overall poverty, government efforts will need to give greater emphasis to other districts. Irrespective, given the major increase in poverty in the north of the country, there will need to be a greater focus in this area.
- On a more positive note, the incidence of households struggling to provide food suggests that this is not a major issue - few Belizeans are going hungry – and the majority of Belizeans are not poor. Although inequality (as measured by the Gini coefficient) has increased, Belize continues to have one of the more equal distributions amongst Caribbean and Central American countries.

The issue of whether the government could have done more to avert this increase in poverty will be addressed later in the report.

4 The Causes and Characteristics of Poverty in Belize

4.1 General

This Chapter, using the quantitative data from the LSMS and the qualitative information from the PPAs, examines the relationship between poverty and key demographic, economic and social variables with emphasis given to age, sex, economic activity, education and health. It also looks at the characteristics of the indigent and poor populations, their coping strategies, and the impact of government programmes, in order to identify the principal causes of poverty in Belize. Where possible, comparisons are made against the 2002 study results.

Sections 4.2 to 4.8 examine the demographic and socio-economic characteristics of poverty as derived from the analysis of the LSMS data (section 4.9 contains an overview). Section 4.10 describes the experience of poverty in Belize using information from both the LSMS and the PPAs undertaken for this study. Section 4.11 provides a summary of the priority needs as expressed by PPA participants. Section 4.12 uses the preceding analysis to identify the major causes of poverty in Belize. Section 4.13 provides a summary of the implications for the CPA of this analysis.

This Chapter contains information on the most important features of poverty in Belize. Other information cited comes from analysis by the study team which although not presented in detail is based on data contained in Volume 2 which, in particular, contains several key variables tabulated by quintile.

4.2 Poverty and Geographical Location

4.2.1 Urban and Rural Poverty

Table 4.1 shows current levels of urban and rural poverty and changes since 2002.

Table 4.1. Urban and Rural Poverty Rates, 2002 and 2009

HOUSEHOLDS	Rural Poverty		Urban Poverty		Rural % *	
	Indigent	All Poor	Indigent	All Poor	Indigent	All Poor
2002 % poor	12.7	33.7	3.3	17.2	75	61
2009 % poor	18.1	43.1	4.1	21.1	78	63
Change	5.4	9.4	0.8	3.9	3	2
Change %	43%	28%	25%	23%		
POPULATION	Indigent	All Poor	Indigent	All Poor	All Poor	All Poor
2002 % poor	17.4	44.2	4.8	23.7	72	54
2009 % poor	25.8	55.3	6.2	27.9	80	66
Change	8.4	11.1	1.4	4.2	8	12
Change %	48%	25%	29%	18%		

* Rural indigent/ poor as percentage of total indigent/ poor.

In 2009, the rural poverty rate was around twice as high as that prevailing in urban areas: 43% as against 21% for households; 55% compared with 28% for population. Rural and urban poverty rates increased between 2002 and 2009 with these changes being greater in both absolute and relative terms in rural areas, reflecting the increased problems faced by the rural sector in recent years.

Indigence has also increased substantially, particularly in rural areas, where the indigence rate remains approximately four times higher than in urban areas: 26% compared with 6% (population). As a result, indigence in Belize remains primarily a rural phenomenon with around 70-80% of indigent people or households living in these areas. The same is less true of overall poverty although this too is concentrated in rural areas where almost two thirds of the poor population reside. In both cases, the rural concentration of poverty has increased since 2002 although this is more marked in terms of population than households. As however the urban poor account for over a third of the poor population, urban poverty is not an issue that can be ignored. On the other hand, the high concentration of indigence in rural areas implies that these areas should be targeted in efforts to reduce severe poverty.

4.2.2 Geographic Variations

Table 4.2 shows urban and rural poverty rates by district. Rural indigence is more than twice as high (at 60%) in Toledo than all other districts. Elsewhere, indigence rates also exceed 20% in Stann Creek and Corozal. Overall rural poverty rates are highest (70%+) in Toledo and Corozal; Belize is the only district where rural poverty is below 50% (see also Figure 4.1).

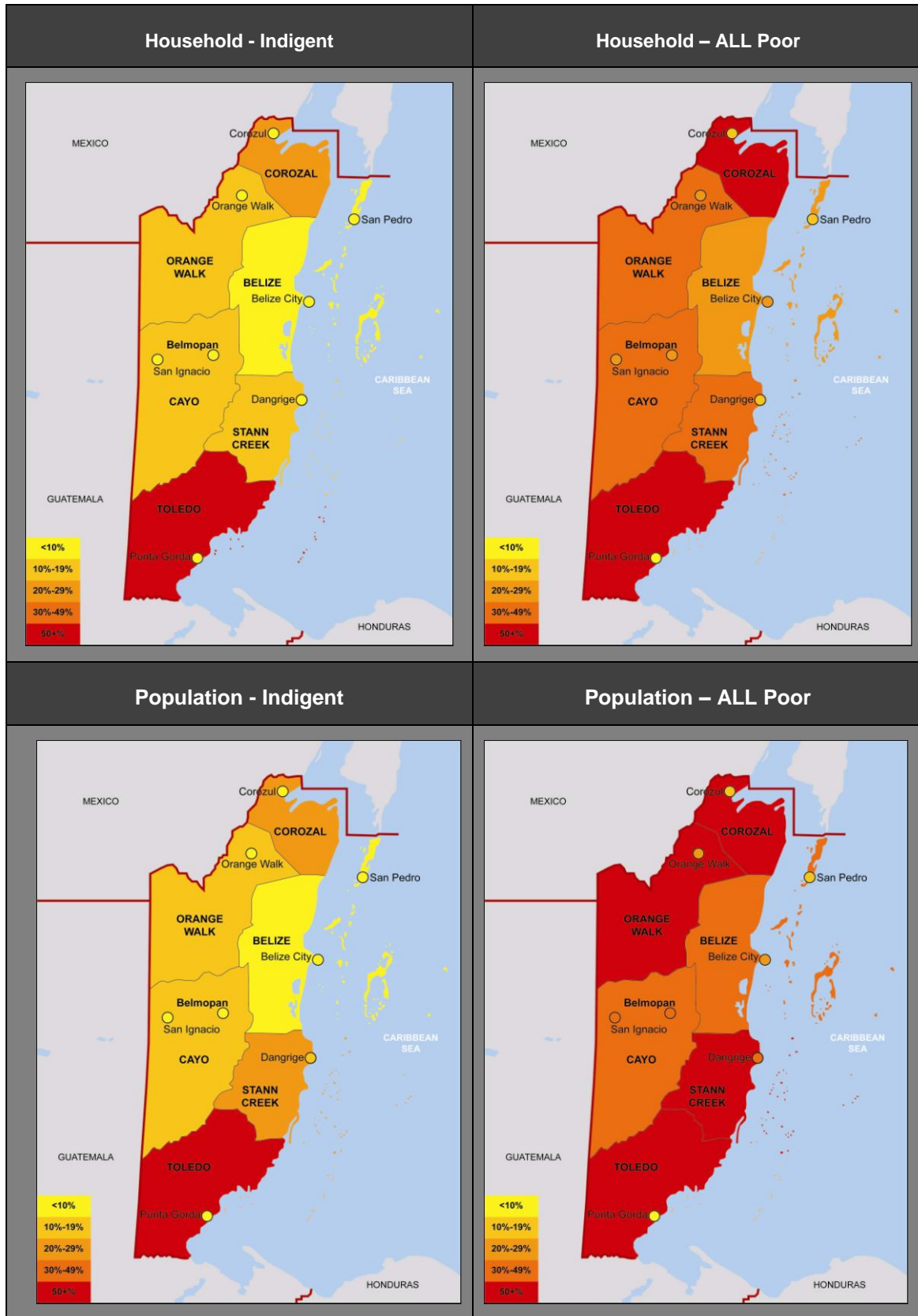
The pattern of urban poverty and indigence is very different. Indigence in Dangriga at 12% is twice the national average as well as being much higher than in other districts. Overall urban poverty rates in the larger towns (except Corozal) are all similar at around 30%. There is little urban poverty in Punta Gorda.

Table 4.2. Rural and Urban Poverty Rates by District, 2009

Poverty Rates (Poor/ indigent as % of population)					
District	Indigent	All Poor	Town	Indigent	All Poor
RURAL AREAS			URBAN AREAS		
Corozal	28	70	Corozal	2	17
Orange Walk	18	52	Orange Walk	8	27
Belize	8	32	Belize	6	28
Cayo	18	50	Belmopan/ San Ignacio/ Santa Elena	6	32
Stann Creek	24	53	Dangriga	12	32
Toledo	60	73	Punta Gorda	4	7
Country	26	55	Country	6	28

NB. The Table shows data for individual (not household) poverty.

Figure 4.1. District Indigence and Poverty Rates, 2009



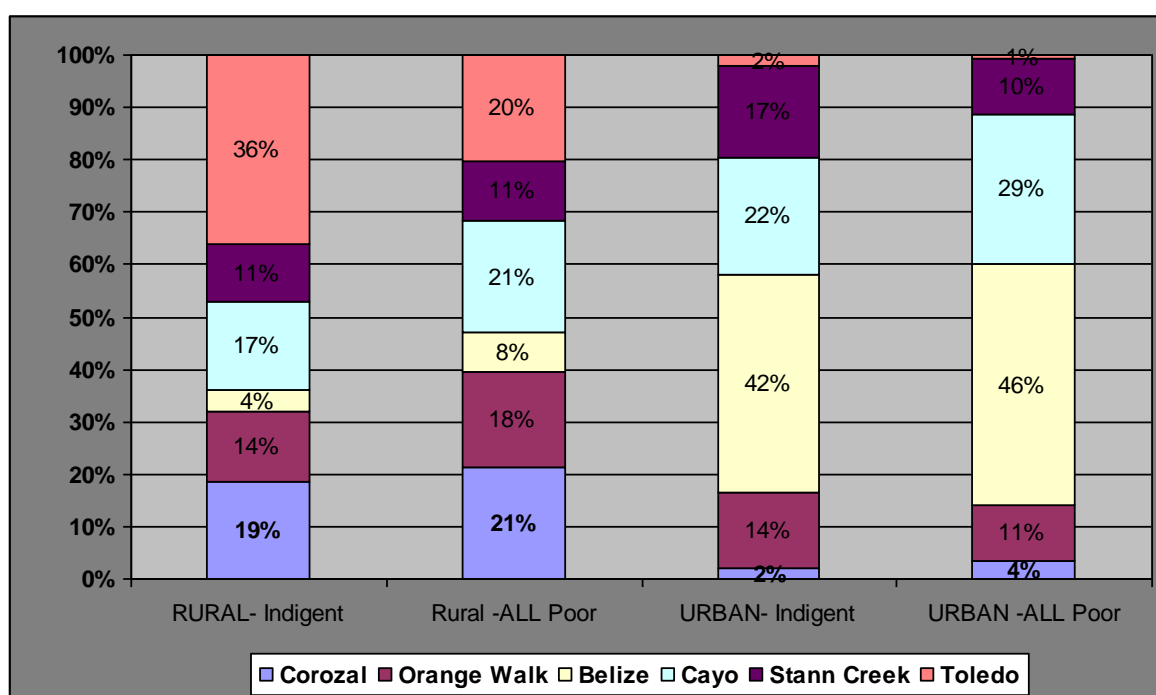
NB1. Rural poverty rates are shown; poverty rates in urban areas are shown inside circles.

NB2. More detailed analysis is not feasible at present as the preparation of a poverty map showing poverty levels in villages (as was prepared from the 2002 data) is not realistic until the results of the 2010 Census are published.

Poverty rates do not give a complete picture of the incidence of urban and rural poverty as they do not take account of the different populations in each district and town. This is shown in Figure 4.2 which gives the percentage of each poverty type relative to its total incidence in the country. For rural areas, the Figure 4.1 shows that indigence is concentrated in Toledo (36% of the rural indigent) with Corozal, Orange Walk and Cayo contained 15-20% each. The distribution of overall rural poverty is much more even with around 20% in each of Toledo, Corozal, Orange Walk and Stann Creek.

In urban areas, both indigence and poverty are heavily concentrated in Belize City – 42% and 46% respectively. The second greatest concentrations are in the Cayo towns (22% and 29% indigent and poor respectively). Dangriga accounts for one sixth or the urban indigent population. Corozal Town and Punta Gorda contribute little to national urban poverty.

Figure 4.2. Distribution of Poor Rural and Urban Populations by District/ Town, 2009



Combining the urban and rural distributions provides an indication of the greatest concentrations of overall poverty⁴⁵ in country: 80% of poverty in Belize is concentrated in 6 areas: Belize urban (16%), Corozal and Cayo rural (14% each), Toledo rural (13%), Orange Walk rural (12%) and Cayo urban (10%). This dispersion of the poor population implies that straight geographical targeting will exclude significant proportions of the poor population from targeted programmes. The situation regarding the indigent population is more clear-cut given its heavy concentration in rural areas in general and Toledo in particular – no urban area contributes more than 8% (Belize City) of the indigent population.

⁴⁵ Because of the high concentration of indigence in rural areas (80%), this method provides adds little to the

4.3 Demographic Characteristics

4.3.1 Age

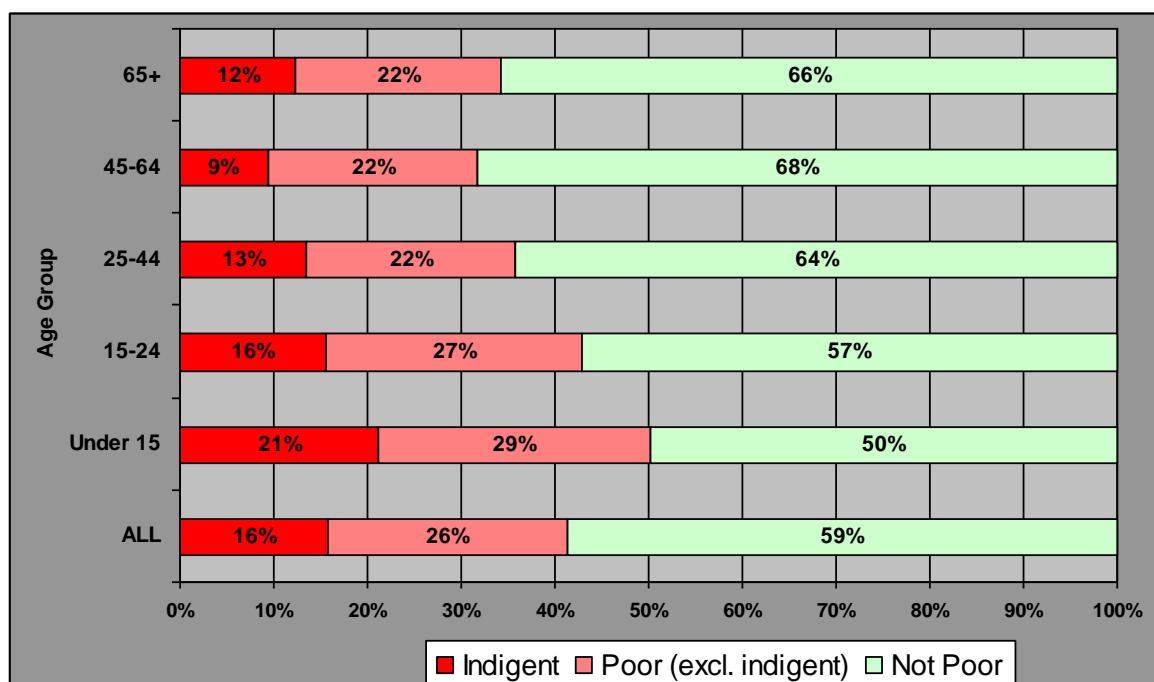
Table 4.3 and Figure 4.3 show how the age and sex of the population varies between poor and not poor households.

Table 4.3. Distribution of Poverty by Age

Age Group	Indigent	All Poor*	Not Poor	Total
Under 15	45	41	29	34
15 - 24	20	21	19	20
25 - 44	22	22	28	26
45 - 64	9	11	17	15
65+	5	5	7	6
Total	100	100	100	100

* Including indigent.

Figure 4.3. Poverty Rates by Age Group, 2009



The age distributions of the indigent and poor populations show few differences however; the distribution of the not poor has a lower proportion of under 15s and higher proportions in the main working ages (25 to 64 years). The implication from this is that children are more prone to poverty and this is confirmed by the Figure which indicates a child poverty rate of 50% which is higher than the overall average of 42% and for any other age group. Excepting young adults, all other groups have poverty rates below the average. The indigence rate for children is 21%, again higher than for all other groups. These poverty rates have increased since 2002 (Table 4.4), although this is to be expected, given the overall increase in poverty. The change has been most pronounced for those aged between 5 and 17 years, possibly because of the extra income required to provide for these groups and their limited earning potential.

Table 4.4. Child and Young Adult Poverty Rates, 2002 and 2009

Age Group	Percent Poor		Change 2002-09
	2002	2009	
0-4	38	45	+7
5-13	41	52	+11
14-17	37	51	+14
18-24	32	39	+7

Also noteworthy is the increase in poverty amongst the elderly (65+ years), from 27% in 2002 to 34% in 2009. However, the poverty rate amongst this group, who only represent around 6% of the population, remains well below the overall average of 41% (see also Table 4.11).

4.3.2 Gender

Gender has little influence on poverty rates (Table 4.5). Although women have slightly lower poverty rates, the difference is negligible. This is not to say that the hardships caused by poverty necessarily fall equally on men and women. Women by virtue of their responsibilities as mothers and homemakers will often experience the sharp end of having to deal with the lack of adequate funds to maintain their household, particularly where they have no independent source of income⁴⁶.

Table 4.5. Poverty Rates by Gender, 2009

All Ages	Indigent	All Poor*	Not Poor	Total
	% of Age Group			
Male	17	42	58	100
Female	15	40	60	100
15 years and over				
Male	14	38	62	100
Female	12	36	64	100

* Including indigent.

4.3.3 Ethnicity

Table 4.6 shows how poverty varies with the ethnicity of the head of household. Not unexpectedly, poverty is highest amongst the Maya, as it was in 2002, and notwithstanding the decrease (77% to 68%) that has occurred since that survey; almost half are still indigent and they account for over a third of the indigent population. All other ethnic groups have experienced an increase in poverty rates with these increases being greatest amongst the Garifuna and the Mestizo, who account for the largest proportions of the indigent (40%) and poor (48%) populations. The Creole remain the group with the lowest poverty rate, 32%, substantially lower than the national average of 41%.

⁴⁶ A more detailed analysis of the relationship between household type and poverty is contained in the next section.

Table 4.6. Poverty by Ethnicity, 2002 and 2009

Ethnic Group	2002		2009		Change 2002-2009 (% points)	% of population, 2009	
	Indigent	All Poor	Indigent	All poor		Indigent	All Poor
Creole	5	27	9	32	+6	15	21
Mestizo	6	30	13	42	+12	40	48
Maya	55	77	51	68	-9	34	17
Garifuna	2	24	12	39	+15	6	7
Other*	8	28	11	35	+7	5	6
ALL Groups	11	34	16	41	+7	100	100

* E.g. East Indians, Mennonites, Chinese, Europeans.

4.3.4 Immigrants

Poverty amongst foreign born households is higher than that amongst the general population but the difference is small – 35% as against 30%. Recent arrivals have a lower poverty rate (21%) but few of these households were recorded and it is likely that many have not been recorded due to their location in remote areas.

4.4 Poverty and Household Characteristics

4.4.1 Household Size

Household size is closely linked to the poverty status of a household. Over 75% of indigent households and 66% of all poor households have 5 or more persons compared with little over 25% of not poor households. The average size of poor households is 5.3 persons as against 3.4 for not poor households (Table 4.7).

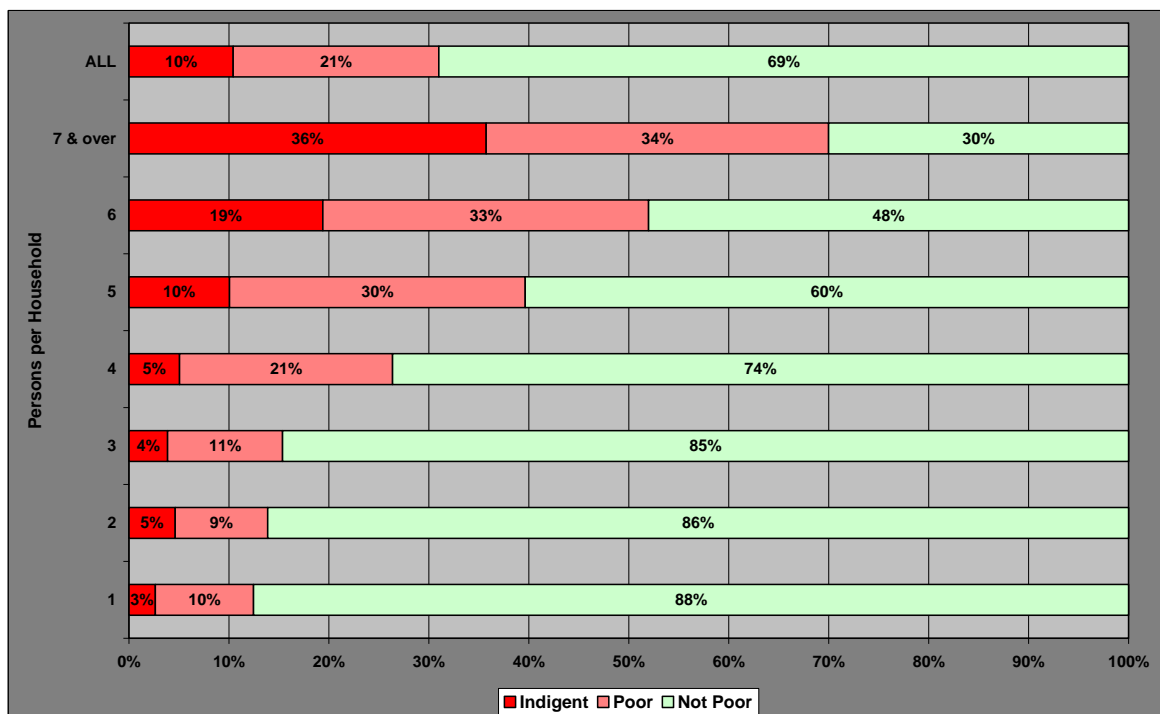
Table 4.7. Household Size and Poverty Status, 2009

Household Size (persons)	Indigent (%)	ALL Poor (%)	Not Poor (%)	Total (%)
1	3.3	5.3	16.6	13.1
2	6.7	6.7	18.7	15.0
3	5.9	7.9	19.6	16.0
4	8.2	14.3	18.0	16.9
5	13.5	17.9	12.3	14.0
6	27.8	25.0	10.4	14.9
7 & over	34.6	22.8	4.4	10.1
ALL	100	100.0	100.0	100.0
Ave household size	6.1	5.4	3.4	4.0

The relationship between household size and poverty is also shown in Figure 4.4 which shows how indigence and poverty rates increase dramatically with household size. Poverty rates for households with 5, 6 and 7 persons are respectively, 40%, 52% and 70% compared with 17% for smaller households. If a household has 5 or more people living in it, the chances of it being poor are 3 times greater than if it had 1 to 4 persons.

Even more dramatic is the fact that almost 90% of the indigent population and 80% of the poor population live in households with 5 or more persons. The equivalent proportions for the largest (7+ persons) households are 49% and 36%.

Figure 4.4. Poverty Rates by Household Size, 2009



4.4.2 Gender of Household Head

Female-headed households (including single person households) are slightly less likely to be poor than male-headed ones – 29% compared with 32%. This finding, although somewhat counterintuitive, was also observed (with a similar gap) in 2002 and has been found in other CPAs. Essentially it shows that the great majority of female-headed households are not poor, demonstrating that many are able to look after themselves and their children without, in most cases, much in the way of male support – almost 60% of women-headed households contain no men of working age.

Table 4.8. Poverty by Sex of Head of Household, 2009

Sex of Head of Household	Indigent (%)	Poor (%)	ALL Poor (%)	Not Poor (%)	Total (%)
Male: 70% of H'holds have male HoH	12	20	32	68	100
Female: 30% of H'holds have female HoH	7	22	29	71	100
Total	10	21	31	69	100

4.4.3 Household with Children

Neither male or female headed households are homogeneous: some have children and some not; some have other dependents and some not. The preceding Table gives little idea of this complexity but Table 4.9 sheds light on these variations by categorising households by variables such as the presence of children, of a spouse or partner, and other adults.

Table 4.9. Poverty and Household Structure, 2009

Household Type/ Sub type	Poverty Status (%)				% of All households	Average Hhold Size
	Indigent	Poor	All Poor	Not Poor		
All Households	11	20	31	69	100	4.0
No Children <18 Households	4	13	17	83	35	2.1
All Child Households	14	24	39	61	65	5.1
All Single Parent*	9	26	35	65	27 ^{&}	4.6
Female Headed (FHH)	8	27	35	65	23	4.5
Male Headed (MHH)	16	22	39	61	4	5.0
No other adults (almost all are FHH)	7	20	27	73	10	3.6
Other adults present**	11	30	40	60	17	5.3
All Nuclear Households***	16	23	39	61	60	5.1
Children <18 only	15	21	36	64	45	4.7
Adult children also present	20	27	47	53	15	6.1
Extended Households	18	28	46	54	13	6.4
Parentage of Children						
HoH/ Spouse only	14	23	38	62	74	4.9
Other children only#	13	24	36	64	18	5.3
Both@	18	36	54	46	8	6.6

* Household with parent and child (under 18 years) but no spouse/ partner.

** Including those with adult children.

*** Spouse and partner and own children only (under and over 18 years)

& Percent of households with children

E.g. grandchildren, nephews, nieces or unrelated.

@ Belonging to both HoH and other household members.

Several findings emerge from this Table:

- 35% of households have no children under 18 present. These households have a much lower poverty rate (17%) than households with children (39%).
- 60% of households with children are nuclear families – HoH (nearly always male) + spouse/partner + children. These households have a poverty rate of 39% (the all-child household average) but those with adult children have a higher poverty rate of 47%.
- Single parent households account for 27% of all households with children under 18. The great majority of these are female headed and just over 60% of these have other adults present. The incidence of poverty however is much higher in these households (47%) while it is only 27% in those households with no other adults present (although these households only account for only 10% of child households).
- 13% of households are ‘extended’ with the presence of grandchildren, siblings, cousins or nephews/ nieces. The poverty rate amongst these households is also high at 46%.
- The highest poverty rate (54%) is found in households where there are children belonging to both the head of household and other family members. These households however account for only 8% of all households with children.

- Indigence rates for all groups vary relatively little except in the case of single parent households which are slightly lower.

While there is a wide range of household types with children under 18 years, the most prevalent category is easily the traditional nuclear family. Single parent households tend to exhibit lower poverty rates than the average for child households with the lowest rate being for those with no other adults present. This implies that these households exist because the single parent has the financial support necessary to be essentially self-sufficient. Categories with the highest poverty rates are ‘extended’ households, nuclear families with adult children or those with children of mixed parentage.

Overall, for child households, the relationship between household structure and poverty is far from clear-cut. Although child households are clearly more prone to poverty than those without children, there are nevertheless over 50% more not poor child households than there are poor ones. And the same generally holds true for every sub-category. Frequently mentioned comments that poverty is more likely to be associated with single parent households (or those that are female headed) are not therefore borne out by the evidence. Indeed, the firmest conclusion is the determining influence of household size with poverty rates almost always being higher the larger the average size of the household.

A similar absence of a clear-cut relationship is observed when analysing the poverty situation of children with both, one or neither parent (Table 4.10). Overall, 63% of children live with both parents and 28% live with their mother only; 7% live with neither parent and only 2% live only with their father. Poverty rates for the two main groups vary only slightly, although indigence is higher in households with both parents present. The proportions of children living with both parents varies by ethnicity: whereas 84% of Mayan and 69% of Mestizo children live with both parents only 46% of Creole and Garifuna children do so.

Table 4.10. Parental Situation of Children, 2009

Children living with ...	Indigent	Poor	All Poor	Not Poor	ALL	% of all Children
	% of all children					
All Child Households	21	29	50	49	100	100
Both Parents	24	27	52	48	100	63
Not Living with both parents	16	31	47	52	100	37
<i>Mother only</i>	16	33	49	51	100	28
<i>Father only</i>	23	19	42	58	100	2
<i>Neither parent</i>	18	27	46	54	100	7

The preceding analysis has found little in the way of a relationship between the living arrangements of children and poverty. Nevertheless the fact remains that around half the children in Belize are living in poverty and a fifth are indigent – which means that there is a high chance that their chance of a productive life in the future will be compromised. This analysis also concentrates on income poverty and says little about the overall wellbeing of children. Thus larger households may provide the living conditions that enable children to be cared for and thrive even if they are poor. Conversely, smaller single parent households, although not income poor, may struggle to provide both the physical and emotional needs of their children. Likewise, the fact that almost 40% of children do not live with both parents is clearly a cause for concern. At the same time, children will be better off in robust single parent

households than ones where relationships between partners are fraught, irrespective of their poverty situation. There are thus few certainties that can be deduced from the simple analysis of the LSMS data on this topic. These are critical issues to which we will return later in this Chapter.

4.4.4 *Households with Older Persons*

Poverty amongst the elderly is lower than for the population as a whole reflecting the availability of family support and the fairly widespread distribution of pensions, including the Non-Contributory Pension (NCP) which is specifically targeted at the elderly, poor with little or no family support. The likelihood of poverty amongst the elderly however varies substantially with their living situation (Table 4.11). 30% of the elderly live either on their own or as a couple while the majority live with other family members. Yet the poverty rate amongst this latter group is almost twice as high as that for the elderly living on their own – and is close to the national average of 41% (as is the indigence rate). A possible explanation is that lower income households are more likely to live in an extended family situation while higher income households are more likely to be able to afford separate accommodation for themselves and their parents.

Table 4.11. Poverty amongst the Older Population

Living Situation	Indigent (%)	Poor (%)	ALL Poor (%)	Not Poor (%)	Total (%)	% of Elderly
Single elderly	8	15	23	77	100	15
Elderly couple	5	16	22	78	100	15
Living with other family members	15	25	40	60	100	70
All Elderly	12	22	34	66	100	100

This nevertheless presents a paradoxical situation in that those living on their own are much less likely to be income poor but, intuitively, more likely to suffer from loneliness and, if their mobility is reduced, access to services. The complete reverse is true for those living with other family members who may have less income but will probably benefit from having other family members around. Their expenditures will also be lower except for health. As with children, income poverty is by no means the whole story.

4.5 *Poverty and Economic Activity*

4.5.1 *Household Economic Activity*

Table 4.12 presents the relationship between poverty and the numbers of employed persons, unemployed and dependents in Belizean households. The most important findings from the Table are:

- Almost 90% of Belizean households have at least one person in employment.
- Somewhat counter-intuitively, poverty rates vary little with the number of earners in the household. There are two likely reasons. Firstly, households with no earners, which only account for 12% of all households, will have other sources of income, such as family support, pensions and savings. Secondly, the main determining factor of a household's poverty status is not the number of earners but the number of dependents.
- Poverty rates vary dramatically with the ratio of dependents to workers: from only 9% where there are more earners than dependents to 46% (50% above the average) for households with 5

or more dependents. Essentially this confirms the importance of household size as a key correlate of household poverty.

- Over 80% of households contained no unemployed persons. Poverty rates for households with unemployed persons are much higher: 47% if there is one unemployed person and 64% when there are two or more (although this applies to only 4% of households). What is also striking is that unemployment rates are over twice as high at 21% in poor households compared with not poor ones (9%).

Table 4.12. Household Economic Activity and Poverty Rates

Earners in H'hold	Indigent	Poor	All Poor	Not Poor	Total	% of all H'holds
% of household group						
0	12	18	30	70	100	12
1	11	22	33	67	100	46
2	8	18	27	73	100	30
3+	11	22	34	66	100	12
Unemployed in H'hold	Indigent	Poor	All Poor	Not Poor	Total	% of all H'holds
0	9	18	27	73	100	83
1	18	29	47	53	100	13
2+	22	42	64	36	100	4
Unemployment Rate	24	20	21	9	13	24
Household Dependency	Indigent	Poor	All Poor	Not Poor	Total	% of all H'holds
Under 1 dependent per worker	2	7	9	91	100	25
1-1.9 dep/worker	7	21	28	72	100	25
2-4.9 dep/worker	13	28	41	59	100	28
5+ dep/worker	21	26	46	54	100	22
All Households	10	21	31	69	100	100

NB. Some rows/ columns may not sum to 100% due to rounding.

Overall the great majority of poor and indigent households (70+%) have at least one worker. However much higher unemployment rates and the greater likelihood of workers in poor households being employed in lower wage and less secure jobs, means that inadequate employment is a major feature of poverty in Belize.

4.5.2 *Employment Characteristics*

Just under three-quarters of heads of household are employed. Households where heads are not employed are more likely to be poor, 37% as against 29% (Table 4.13). Heads of household account for around half of total employment.

Poverty and indigence are much higher amongst agricultural workers and those in elementary (unskilled) occupations. In contrast, poverty rates are much lower where households are headed by white collar workers. This is much as one would expect and is also reflected in the information by industrial sector which also shows high poverty rates in the agricultural sector as a whole. Other sectors with high poverty

rates are the informal sector (notwithstanding difficulties in separately defining this sector), manufacturing and construction. In contrast, workers in the service sectors are less likely to be poor.

It should however be noted that this and subsequent analyses do not relate to the poverty status of workers⁴⁷ *per se* but to the poverty status of the household in which they live, e.g. the number of dependents and the income of other earners (see Table 4.12), rather than their individual incomes. The findings thus need to be interpreted as reflecting the probabilities of different categories of workers living in poor and not poor households.

Table 4.13. Poverty Rates by Occupation and Sector

Employment of HoH	Indigent	Poor	All Poor	Not Poor	Total	% of all H'holds
	% of Heads of Household					
ALL HoH	10	21	31	69	100	100
Not employed*	13	24	37	63	100	23
Employed	9	20	29	71	100	77
Occupation (All workers)	Indigent	Poor	All Poor	Not Poor	Total	% of ALL Employed
Managerial / Professional	0	5	5	95	100	10
Tech/ Admin/ Clerical	3	13	16	84	100	19
Sales workers	8	22	30	70	100	18
Agricultural workers	29	23	52	48	100	9
Skilled manual/ crafts	9	24	33	67	100	19
Elementary Occupations **	15	35	45	55	100	24
Industrial Sector (All)	Indigent	Poor	All Poor	Not Poor	Total	% of ALL Employed
Agric/ Forest/ Fishing	26	24	50	50	100	20
Mining / Manufacturing/ Construction/ Utilities	9	26	35	65	100	15
Retail/ wholesale	5	19	25	75	100	16
Tourism (incl. hotels, restaurants)	3	20	22	78	100	10
Transport/ Comms	2	20	23	77	100	5
Government (incl. health and education)	5	11	16	84	100	16
Other services (incl. banking)	2	10	11	89	100	6
Informal ***	9	30	39	61	100	11

NB. Groups with highest poverty rates are highlighted.

* Around half of these are elderly (65+ years) and virtually all the remainder are either engaged in home duties or are students.

** Includes most unskilled workers including agricultural labourers, petty traders and domestic service.

*** E.g. domestic and home-based services, petty trading (food, lotto, clothes), casual workers, hustling.

Table 4.14 shows that poverty has increased for all occupational groups. The changes have been greatest in clerical and service occupations although poverty rates in both these groups remain below average.

⁴⁷ Few of whom would be poor as in the very great majority of case, earnings are above the adult poverty line.

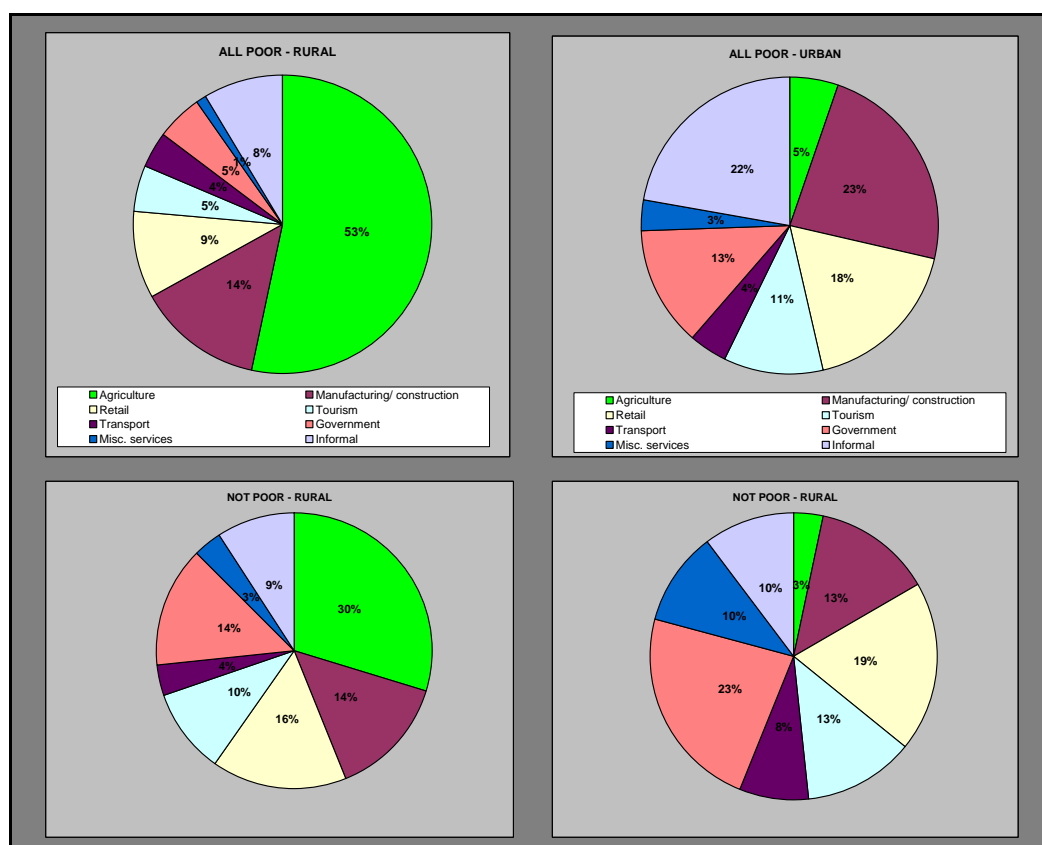
The lowest changes were in agricultural and unskilled occupations; these groups are those with the highest poverty rates, as was the case in 2002. The main implication is that poverty is more evenly distributed across occupational groups than before indicating a tightening of household budgets as prices rise faster than incomes.

Table 4.14. Poverty Rates by Occupational Status, 2002 and 2009

Occupation	2002	2009	Change % points	% of all workers	Median Monthly Income
	% who are poor				
Managers/ Professional/ Technical	10	18	8	18%	BZ\$1,400
Clerical	4	27	23	11%	BZ\$ 900
Service Workers	20	31	11	18%	BZ\$ 700
Agriculturalists	50	52	2	9%	BZ\$ 400
Skilled manual: crafts / machine operators	26	34	8	20%	BZ\$ 850
Elementary/ Unskilled	38	43	5	24%	BZ\$ 480
Total	27	33	6	100%	

Table 4.14 shows that there is a fairly close relationship between occupational status and median monthly incomes - median incomes for agricultural and unskilled workers are insufficient to provide the poverty line income needed for two adults. Also relevant are the facts that over 20% of workers worked under 10 months in the previous year (indicating a significant degree of under-employment) and that a third of those employed worked more than 45 hours per week (indicating that workers needed to work long hours to make ends meet). Neither of these proportions varied significantly with poverty. There are major differences in the employment of the rural and urban poor (Figure 4.5)

Figure 4.5. Poverty in Rural and Urban Areas by Industrial Sector



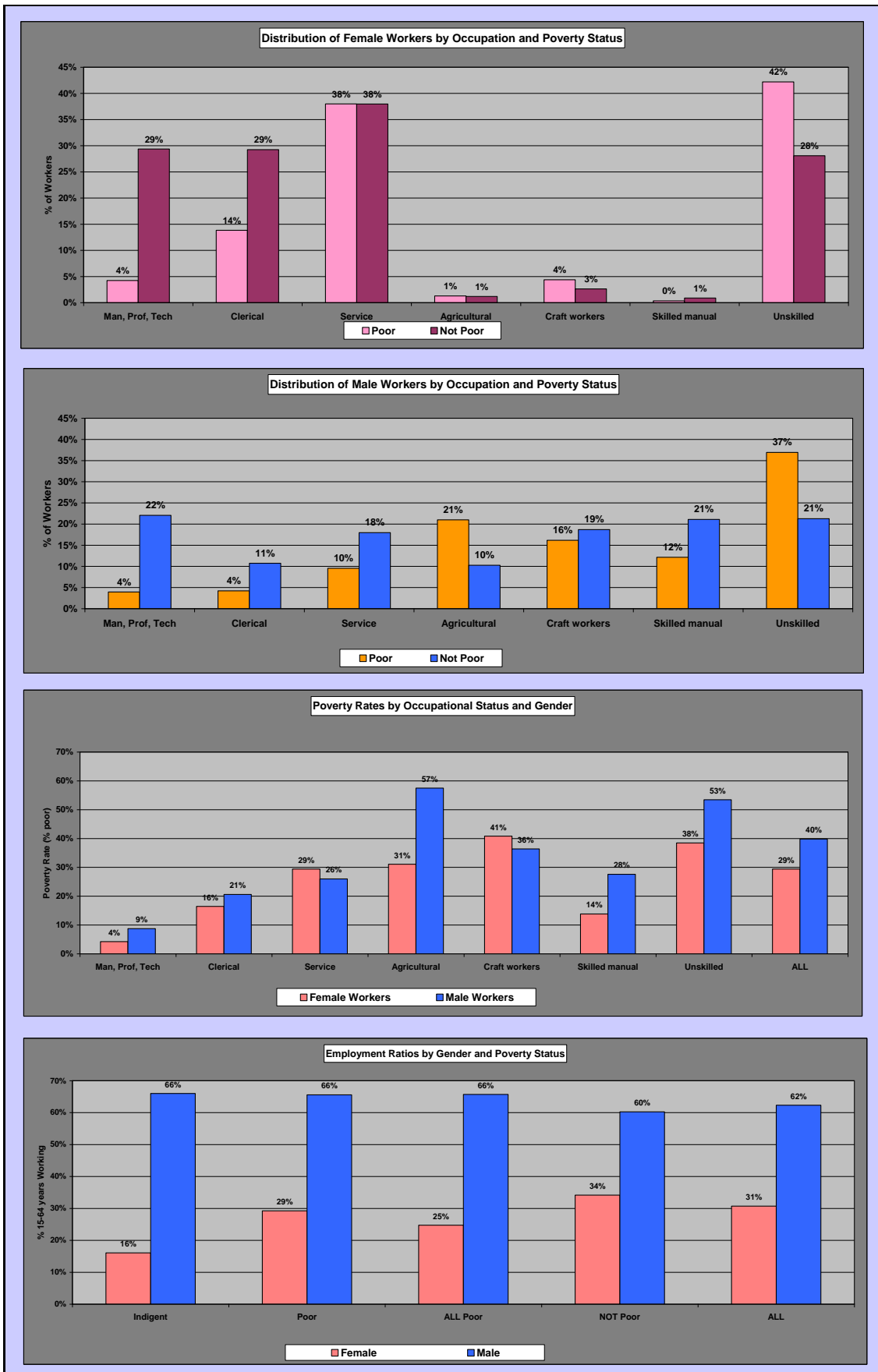
Not unexpectedly, rural poverty is dominated by agricultural workers who account for almost two thirds of the total; manufacturing and construction is the only other sector accounting for more than 10% of the poor population. The distribution of the indigent population is even more dominated by the agricultural workers who constitute over three-quarters of this group. The distribution of the urban poor could hardly be more different: agricultural workers hardly figure and several sectors account for significant proportions of the urban poor. The largest sector is manufacturing / construction with 28% of the poor employed population followed by the informal sector, mainly domestic and home-based workers (22%), the retail workers (18%) and the public sector (13%). The relative sizes of the not poor employed population give an indication of the sectoral poverty rates. In urban areas, the groups with the highest poverty rates are the informal sector (just under 50%) and manufacturing/ construction at around 37% compared with the overall average of 31%. In contrast, poverty amongst public sector workers is no more than 15%.

Figure 4.6 examines the relationship between poverty, gender and the occupational status of workers. The principal findings are:

- Male and female workers living in poor households are much more likely to be employed in unskilled occupations, and, conversely are much less likely to be employed in managerial and professional occupations.
- Female workers, whether poor or not poor, are concentrated in four occupational groupings: managerial, etc., clerical, service workers, and unskilled occupations; very few are employed as agricultural, craft or skilled manual occupations. In contrast, male workers have a much more even distribution of occupations.
- Poverty rates of households where women are employed are generally lower than those with working men. The implication is that households where women work are less likely to be poor. It does not imply that women are earning more than men just that total household income will be higher in these households. Interestingly median monthly incomes of female and male workers differ little: BZ\$700 for women compared with BZ\$780 for men.
- Female employment ratios (percentage of women aged 15-64 years who are working to all women in this age group) are always lower than those for men. Although male employment ratios vary little with poverty status, those for women are much lower in indigent and poor households, 16% and 31% respectively compared with 48% in not poor households.

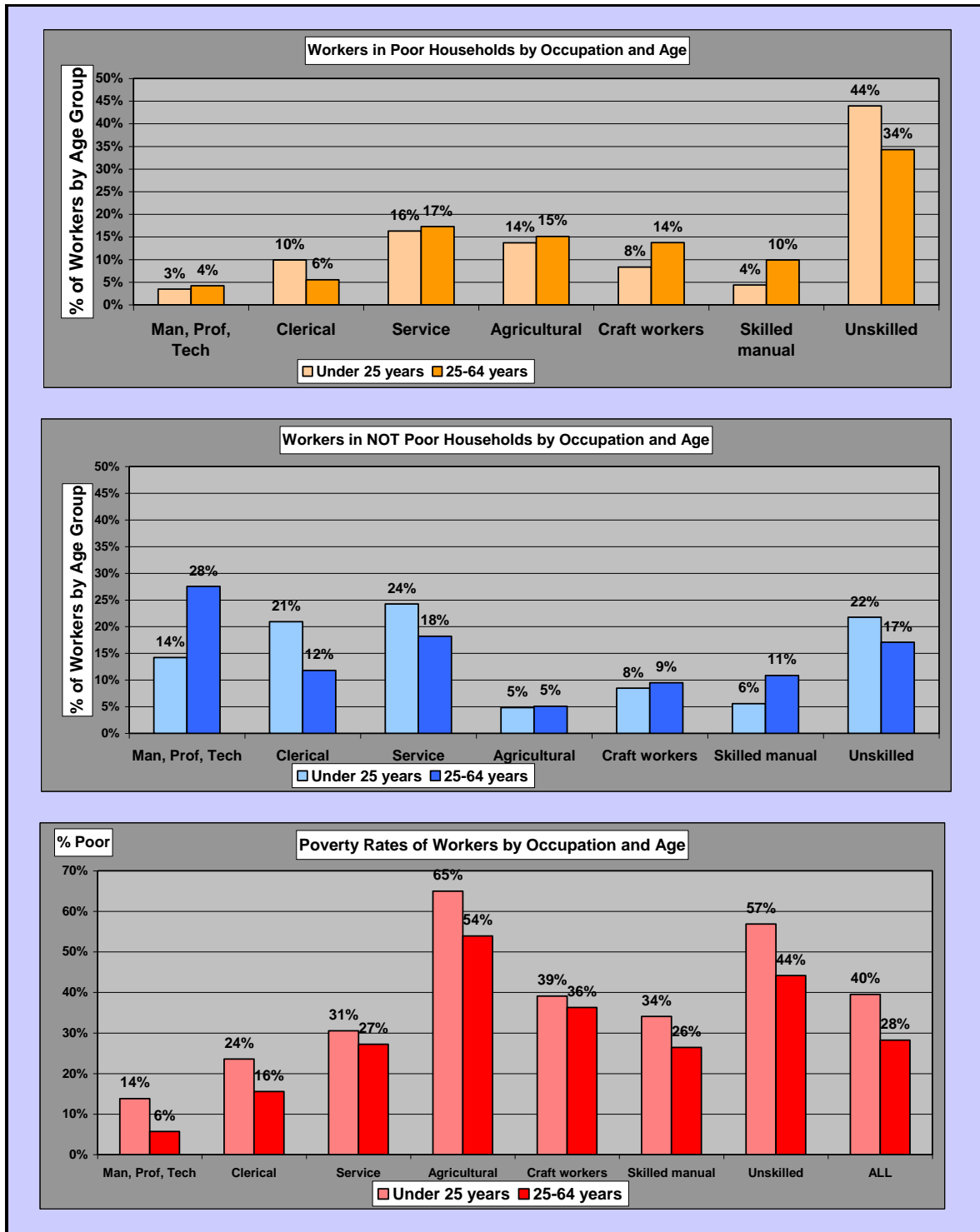
The fact that households where women are employed are less likely to be poor indicates that poverty would be reduced if more women in poor households were able to work. However there are two important caveats. Firstly, improving female participation rates is partly dependent on the availability of employment opportunities. Secondly, many women, especially in poor households are occupied with child care; providing work for this group is thus inextricably linked to the supply of adequate child care arrangements during working hours, e.g. pre-school day care and education, and after schools activities. Unless this is done, or economic activities are home-based, this could have a negative impact on the welfare of the children.

Figure 4.6. Employment: Poverty and Gender Variations



Information on the relationship between employment, poverty and age of worker (under and over 25 years⁴⁸) is presented in Figure 4.7.

Figure 4.7. Employment, Poverty and Age



⁴⁸ Analysis revealed little variation when the older age group was split.

In poor households, age has relatively little impact on the occupations of workers, although there is a greater likelihood of younger workers being in unskilled occupations with correspondingly lower proportions in skilled manual and craft occupations. In not poor households, there is a more even spread of occupations with younger workers being more represented in less skilled occupations such as services, clerical and unskilled jobs. In contrast they are less represented in the higher skilled white collar and manual occupations. This is as one would expect.

It is also unsurprising that poverty rates are higher in households with younger workers as this group is more likely to be living with their parents in larger households. Median monthly incomes are also lower for this group: BZ\$600 compared with BZ\$800 for older workers.

As with other analyses, the relationship between employment and poverty is not clear-cut - in virtually every sector or occupation is high at least half of each group is not poor. Employment characteristics are not therefore a particularly good indicator of poverty. There is nevertheless a greater probability that persons with a less skilled occupation will live in a poor household and conversely the great majority of white collar workers live in not poor households.

4.5.3 *Income Sources*

The great majority of poor households have at least one person working and thus have some income from employment. Almost half the households receive income from other sources (e.g. family and friends, social assistance, pensions, rents) with this proportion rising to 56% for poor households and exceeding 60% for indigent ones. Table 4.15 provides a categorisation of households based on the importance of these other income sources and their poverty status.

Table 4.15. Household Income Sources by Poverty Status

Employment of HoH	Indigent	Poor	All Poor	Not Poor	ALL	Poverty Rate
	% of all Households					% Poor H'holds
ALL Households	100	100	100	100	100	31
Employment Income only	38	47	44	60	55	31
With other income source(s)	62	53	56	40	45	32
Contribution of other income						
<25%	29	22	25	22	23	25
25% to 74%	17	14	15	7	10	36
75% to 100%	17	17	17	11	13	49

For 32% of poor households and 23% of not poor households, other income sources represent over 25% of their incomes. Overall, 13% of households depend almost entirely on non-employment sources of income with this proportion rising to 17% for poor households. The poverty rate for these households approaches 50%, much higher than the average (31%). Without this income, almost all these households would be indigent. An analysis of the principal sources of this income is contained in Section 4.9.3.

4.6 Health and Poverty⁴⁹

Table 4.16 shows the relationship between some indicators of access to health services and poverty; information is presented in terms of population quintiles with quintile 1 approximating the indigent population and quintile 2 approximating those who are poor but not indigent; the vulnerable population is included in quintile 3.

Table 4.16. Health and Poverty

Variable	Indicator	Population Quintiles					Rural	Urban	ALL
		1	2	3	4	5			
Visit to health facility in last year	% of pop.	32	37	42	43	52	36	45	41
Visited public facility	% of those visiting	80	70	69	64	39	51	47	48
Visited private facility		16	24	25	29	57	40	54	48
Were sick but did not visit*		10	6	5	7	6	7	6	6
Visited health facility in last month	% of pop.	11	13	14	13	15	11	15	13
Coverage of Health Insurance***	% having	3	4	7	8	19	4	12	8

* In the vast majority of cases, the reason given for not visiting a health facility was that they were not sick. Other reasons given, none of them by more than a few respondents, were: cost, absence /distance of services, poor quality, not enough time.

** These results almost certainly exclude membership of the National Health Insurance system and relate only to private health insurance. More information on the NHI (which has a much greater coverage) is provided in sections 6.2.8 and 6.13.

The Table implies that the poorer population are less likely to need a doctor's attention, are more likely to use public rather than private health facilities and are less likely to have health insurance. Whilst the latter findings are robust, the 'implication' that the poor are less likely to get sick is highly debatable. The poor may be less likely to seek medical assistance due to cost and access issues. In contrast the not poor, who are more likely to have health insurance and live in urban areas where health facilities are more accessible, are more likely to seek assistance or be able to access services. Some credence is given to this view in that reasons for not visiting a health facility (other than because of lack of need) are almost twice as frequent for the lowest quintile than for the highest; the numbers are however small and it is difficult to draw a firm conclusion.

There is little evidence from the LSMS to contradict the general conclusion from Chapter 2 that the health of the Belizean population is generally good. Little more than 40% of the population visited a health facility in the last 12 months and 13% did so in the last month and few (7%) of households cited issues of cost or access as the reason for not visiting a health facility and could thus be constrained from seeking medical assistance when they most need it. Indeed, amongst Latin American countries, Belize had the highest proportion (94%) of respondents stating that they were generally satisfied with their level of health – a finding which held true across all income levels⁵⁰.

⁴⁹ A more detailed description of Belize's health care system is provided in Section 6.2.

⁵⁰ IDB, 2009, *Beyond Facts: Understanding Quality of Life*, op. cit.

4.7 Education and Poverty⁵¹

Table 4.17 the level of education of the household head is closely associated with the likelihood of a household being poor - poverty reduces substantially as the head of household's education level increases. In short, around half of households where the head did not complete primary school are poor compared with under 15% of those with some secondary or tertiary education, i.e. the risk of poverty is more than halved.

Table 4.17. Poverty and Education of Household Head

Highest level of education of HoH	Indigent	Poor	All Poor	Not Poor	Total	% of all households
	% by educational attainment of HoH					
None	31	24	54	44	100	7
Primary 1 - 4	18	29	47	52	100	12
Primary 5 - 8	11	25	36	64	100	46
Secondary School	5	13	18	82	100	19
College/ Voc/ Univ	1	6	7	93	100	16
All Heads of Household	10	20	31	69	100	100

Table 4.18 shows the enrolment rates by age by quintile and urban rural location. The age groups correspond to the official age ranges for pre-school, primary, and secondary education. While enrolment of the 5-12 year age group is virtually universal and varies little either by quintile or urban rural location, the same is not true of the pre-school and secondary age groups which both show inferior enrolment rates amongst the lower 2 quintiles (roughly corresponding to the poor population) and in rural areas. Amongst 3-4 year olds, enrolment in the lower 3 quintiles at around 33% compared with 55% for the upper two quintiles. For 13-16 years, the differences are less marked and only occur in the lower 2 quintiles. Given the correlation between poverty and rural areas, the much higher non enrolment rate (35% compared to 12% in urban areas) is to be expected and can be seen more as reflecting a low distribution of schools in rural areas rather than a decision not to attend school. This is particularly worrying given the importance of education in providing the skills needed to take up employment opportunities in the future.

Table 4.18. School Enrolment by Age and Quintile and Urban Rural

Age Group	Indicator	Population Quintiles					Rural	Urban	ALL
		1	2	3	4	5			
3-4 years (pre-school)	% age group attending school	25	36	37	60	51	30	50	40
5-12 years (primary)		95	97	98	99	98	96	98	97
13-16 years (secondary)		63	70	81	82	93	65	88	75

Also of concern is the fact that a large proportion of 13-16 year olds attending school are receiving primary rather than secondary level education. Around 28% of this age group is attending primary school with this proportion rising to 43% in Stann Creek and 38% in Toledo. Taking into account non-attendeess, this means that under half of this age group is currently attending secondary school - although some will attend when they are older.

⁵¹ A more detailed description of the education system in Belize is provided in Section 6.3.

High school and university enrolment is also heavily biased against the two poorest quintiles with this group accounting for no more than 16% of high school students and 11% of university students. The situation is much more even for vocational education (43% come from the bottom quintiles). Overall only 23% of 17-18 year olds attend high school/ vocational schools compared with about 80% in the upper 2 quintiles.

20-25% of primary and secondary school students had missed school in the previous month. In two thirds of cases, this was due to sickness. Although there is no consistent relationship between these proportions and quintile, it is noticeable that reasons relating to poverty (e.g. truancy, lack of money,/ uniform, home duties and work) which overall accounted for 14% of the reasons for missing school were more prevalent (20%) in the lowest quintile, i.e. amongst indigent households. The average number of days missed is around 3, less than one per week. However the PPAs revealed that the need for children to work or undertake home duties is often manifest not in absence from school but in late arrival and sleeping and inattentiveness during classes.

Overall, primary school attendance is well nigh universal and hardly varies by household expenditure. Conversely, secondary school education is not being accessed by a sizable minority of the school age population with non-attendance being concentrated amongst the poorest sections of the population. There is some evidence that children from the poorest households are more likely to miss school due to poverty related reasons but the level of disaggregation precludes a firm conclusion.

4.8 *Housing and Poverty*

4.8.1 *Housing Conditions*

Table 4.19 shows that, unsurprisingly, housing conditions of the poor are significantly worse than those who households who are not poor.

Table 4.19. Poverty and Housing Conditions

Housing Characteristic	Poor	Not Poor	Total
Housing Tenure	% of households		
Own*	75	64	67
Not owned	25	36	33
Total	100	100	100
Overcrowding	% of households		
Less than 1 person per room	15	54	42
1 and 2 persons per room	61	42	48
More than 2 persons per room	24	4	10
Total	100	100	100
"Defective" Housing	% without attribute		
Not concrete or brick walls	68	45	46
Water from well, standpipe or river	5	2	3
No flush toilet	61	20	33
No electricity for lighting	16	4	8
No indoor kitchen	25	9	14

* 85% of dwellings are undivided private houses rising to over 90% amongst poor households.

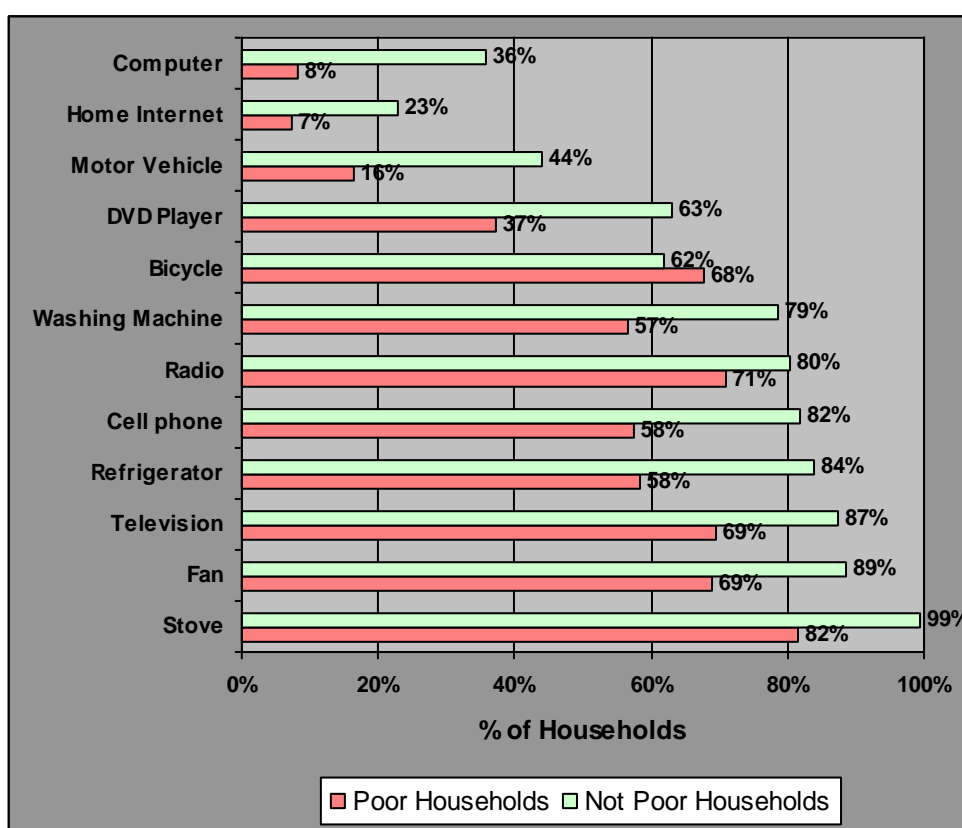
Overcrowding is much more prevalent with 24% of poor households having more than 2 persons per room as against only 4% for the not poor. Similarly, the prevalence of non-permanent walls, absence of

toilets, piped water, electricity, toilets and indoor kitchens are all much more likely to occur in poor households. It should, however, be noted that the great majority of poor households have indoor kitchens, electricity and piped water. House ownership is also higher amongst the poor as more not poor will rent. On the other hand, inferior construction of houses, which is more prevalent with poor households, means that they are more likely to be worse affected if hit by hurricanes or flooding. However, as mentioned during the PPAs, the costs of repairs can be lower with wooden and impermanent construction materials if the storms are especially severe.

4.8.2 Ownership of Durable Goods

As with housing, ownership of most durable goods is usually substantially lower for poor households with the principal exceptions being bicycles and radios (Figure 4.8).

Figure 4.8. Ownership of Durable Goods by Poverty Status



Differences are most marked for the ‘luxury’ goods – cars, DVDs, computers, internet access. Also worthy of mention is the high ownership amongst the poor of cell phones, washing machines, fans and refrigerators, all of which exceed 50% by a significant margin.

4.9 Overview of LSMS Results

The majority of the findings from the preceding analysis (selected characteristics are compared in Table 4.20) are entirely predictable. Poor households are much more likely to be rural, larger, have poorer housing conditions, be headed by persons employed in primary industries or construction, have lower educational attainment, and be less likely to own durable goods. The poor population is also younger (child poverty is higher than for other age groups) and more likely to be unemployed; secondary school

enrolment rates are substantially lower in poor households. As one would expect given the overall increase in poverty and indigence, poverty rates have increased for virtually every category since 2002.

Table 4.20. Selected Characteristics of Indigent and Poor Households

Category	Variable	Indigent	ALL Poor	National	Comment
		% of households in category			
Urban/ rural	% rural H'holds	80	64	49	Rural H'holds more likely to be poor; almost all indigent H'holds are in rural areas.
Immigration	HoH born overseas	26	23	20	Foreign-born HoH slightly more prevalent in poor H'holds.
Household structure	% H'holds 6+ persons	62	48	25	Large households much more likely to be poor
	% FHH	20	28	30	Little correlation with poverty
	% H'holds with children <18 yrs	86	81	65	Children more likely to live in poor H'holds; virtually all indigent H'holds have children.
	% children not living with both parents	28	35	37	Little correlation with poverty
	% H'holds with older person	23	22	20	No correlation with poverty
Economic activity	% H'holds with 2+ earners	37	40	42	No correlation to poverty
	% H'holds with unemployed person	31	27	17	Poor H'holds more likely to have someone unemployed
	Unskilled workers as % of all workers	39	37	24	Poor H'holds have higher proportions of unskilled workers
	Workers in agric. as % of all workers	42	29	23	Poor H'holds more likely to have someone employed in agriculture
	Female workers as % females aged 15-64 years	16	21	25	Women less likely to be working in poor H'holds.
Income sources	% H'holds receiving assistance from family/ friends	46	39	30	Poor H'holds more likely to receive assistance from family and friends
Education	Hoh with sec. / post sec. education	12	15	35	Few poor households have HoH with secondary/ tertiary education
	Non-school attendees as % of all 13-16 yr olds	37	31	25	Non-enrolment of 13-16 year olds higher in poor H'holds

Characteristics which have been observed before but are nevertheless still somewhat counterintuitive are the lower poverty rates amongst the elderly and female headed households. Similarly, children living with only one parent do not experience significantly higher levels of poverty; the same applies to single parent households (of which there are several types). These data, however, relate only to income poverty; they do not, and cannot, take account of the wellbeing of the household which will not always be correlated to the level of income poverty.

In most cases, poverty rates for sub-groups differ relatively little from the national averages. Exceptions are groups such as the Maya or households headed by persons with little education. Yet these groups only constitute a small proportion of the total population. Thus the poor Maya (77% poverty rate) only constitute 8.5% of the poor population while households headed by persons who did not receive

schooling after primary level 4 (52% poverty rate) only account for 6% of poor households. Similarly, the household poverty rate rises to 56% if the head is unemployed; but again, this group accounts for under 10% of poor households.

Moreover, in general, poverty is now more evenly spread whether geographically, by ethnicity, by employment characteristic, or by age. This means that virtually every significant group will have a poverty rate not dissimilar to the national averages (31% for households and 41% for population) and that the majority of each group will NOT be poor.

However, there is one group that dominates the poor population - large (6+ person) households. The indigence rate amongst these households is 28% and the overall poverty rate exceeds 60%. Furthermore, almost half of large households are poor and they contain almost two thirds of the country's poor population and almost 80% of the indigent population. The dominance of household size as a major factor in determining poverty largely explains the absence of a relationship between poverty and the number of earners in the household. Whether household size should be seen as a cause or characteristic of poverty will be discussed in the next section.

Agricultural workers in lower skilled occupations, the informal sector are more likely to live in poor households; in contrast few households with white collar workers will be poor. Households with women workers are less likely to be poor and female participation is much lower in poor households. These findings are, however, more a reflection of other household characteristics (size and number of dependents) than of individual incomes. Noteworthy is the fact that median incomes are not much lower for female workers. Non employment income accounts for over 25% of the income of around a third of poor households. Without this income, indigence rates would be substantially higher.

On a more positive note, the housing conditions of the poor have improved in terms of better house construction, a greater probability of having electricity and safe water, less overcrowding. Ownership rates of many household goods are also well above 50% even amongst the poor. There is also little evidence from the LSMS, that the poor are either experiencing lower levels of health than the rest of the population or are finding access to health services difficult. Poverty amongst the elderly is below the national average and is lower in households where the elderly are on their own or are living as couples. Only a minority of Belizeans are severely poor and the majority of population and households are not poor.

There are two over-riding conclusions:

- the increase in poverty has affected virtually every group in the country – which provides some corroboration to the conclusion from the preceding chapter that a major cause of poverty is the parlous economic situation.
- irrespective of whether sub-groups of the poor show a lower or higher prevalence of poverty than the average, policies and programmes will be needed to address the needs of poor people and poor households within these sub-groups. The fact that groups such as female headed households or the elderly have lower than average poverty rates does not reduce the importance of programmes targeted at these groups, especially if not doing so increases the probability of poverty being transferred to the next generation.

4.10 Perceptions of Poverty, Difficulties Encountered and Coping Strategies

4.10.1 Perceptions of Poverty

The preceding analysis has concentrated on analysing income poverty against a variety of demographic, social and economic characteristics. But how do Belizeans themselves perceive poverty and how does it affect their lives? Table 4.21, taken from the 2002 Study, goes some way to answering this question.

Table 4.21. Perceptions of Poverty

Creole	Garifuna	Maya	Mestizo
<ul style="list-style-type: none"> - Rats, flooring of muddy water with no lights. - Some days going hungry - Poor school attendance - Poor health - No or limited amenities. - We have about 5 houses to one (electric) meter. - <i>"It is rough to get water. I have to be using buckets to get water at the public pipe.... I have to wake up early 4:00 a.m. to get there before the crowd"</i>. 	<ul style="list-style-type: none"> - Poor health - No or limited amenities - They have no money and no ideas. - They live from hand to mouth - You have to use your left hand and right hand. 	<ul style="list-style-type: none"> - No food, clothes - <i>Our food is not nutritious ...eating tortilla with lau instead of tortilla with a piece of chicken leg.</i> - Poor schooling: <i>my children say that I am mean as I do not send them to school, but I could not afford it.</i> - Poor health - <i>Life is a struggle: sometimes have and sometimes don't have...</i> 	<ul style="list-style-type: none"> - Large families - Insufficient land - Poor schooling - Limited amenities.

Source: 2002 Poverty Assessment.

The Table reinforces the results of the preceding analysis: poverty is associated with poor housing, inadequate or absent amenities, lack of education and /or the money to send children to school, inadequate diet and a general struggle to survive. The mention of poverty being associated with large families by the Mestizo is also notable as it reflects the high correlation between household size and poverty. There is no evidence from the Table that poverty is perceived very differently by each ethnic group.

4.10.2 Difficulties Encountered by the Poor

The PPAs undertaken for this study in communities throughout the country investigated the types of difficulties and problems encountered by residents, both poor and not poor, by means of community meetings (CM), key informant interviews (KII) and transect walks (TW). The results are summarised in Table 4.22.

Table 4.22. Difficulties Encountered by Community PPA Respondents

Type of Difficulty	CM	KII	TW*	ALL	% mentions	% sample	Specific Issues Mentioned
Political interference and ineffectiveness	11	20	3	34	15%	65%	Political favouritism helps some individuals; programmes curtailed with change of government; progress hampered by party politics (" <i>PUP chairlady therefore cannot get any assistance</i> "); elected representative does not visit; promises made but not kept; lack of assistance (" <i>neither party has been effective</i> ").
Village Councils	3	7	4	14	6%	27%	Generally not seen as effective; political divisiveness.
Increased prices/ low wages	8	13	5	26	11%	50%	Low pay/ wages and high prices.
Jobs/ employment	6	11	8	25	11%	48%	Not enough job opportunities.
Agriculture	3	9	2	14	6%	27%	Limited market; inferior land quality (poor irrigation); increased input costs
Land	6	8	2	16	7%	31%	Difficulties in accessing land, made worse by political issues.
Health	4	6	3	13	6%	25%	Costs; poor access; low service quality.
Education	3	8	6	17	7%	33%	School fees; lack of local school; low quality.
Social problems	3	8	1	12	5%	23%	Lack of parental care; crime; drug and alcohol use; family breakup.
Community cohesiveness	3	5	0	8	3%	15%	Lack of co-operation within communities, divisiveness.
Infrastructure- road		1	5	6	3%	12%	Roads need improvement; more public transport
Infrastructure- water	4	9	6	19	8%	37%	None, not working, bills hard to pay
Infrastructure- electricity	3	2	4	9	4%	17%	None, bills hard to pay
Infrastructure- Other	3	2	1	6	3%	12%	Telecommunications
Environmental	4	6	1	11	5%	21%	Resource depletion; negative impact of logging restrictions on local incomes; pollution.
Summary by Broad Category							
Political	14	27	7	48	21%	Not applicable due to double counting	
Economic	23	41	17	81	35%		
Health/ Education/ Social	13	27	10	50	22%		
Infrastructure	10	14	16	40	17%		
Environmental	4	6	1	11	5%		
Total Mentions	64	115	51	230	100%		
Sample	13	24	15	52			

* Random, unstructured interviews during surveys

Source: Consultants' analysis of PPAs.

While these results do not have statistical significance, the frequencies with which the different types of problems are mentioned provide a reasonable indication of the difficulties currently encountered by the rural population⁵².

To varying degrees, these responses reinforce the poverty related issues from Table 4.20. The greatest importance is clearly given to economic issues, high prices, low wages, lack of employment opportunities, agricultural and land issues, all of which directly impact household livelihoods: 35% of all mentions related to these aspects and they were mentioned in between a third and a half of all the surveys. The ‘primacy’ of economic issues also came out strongly from the Village Surveys⁵³ with over 70% of reasons for the change in the circumstances of the village being related to lack of jobs, high prices, and lack of demand for produce. The totality of these issues is shown in a recent IDB report which investigated quality of life across the Americas⁵⁴: Belize had, after Mexico, the highest level of workers feeling insecure in their jobs – 27% as against the Latin American average of 20%.

Responses relating to the quality, cost and access to education, health and social problems (mostly family and youth related issues and the lack of community cohesiveness) constituted around a fifth of all mentions and occurred in around a quarter of all surveys. Infrastructure problems (primarily lack or cost of good quality water) account for about a sixth of all mentions. In general, most of these issues are the same as those identified in previous studies. The principal exception is the issue of rising prices which received little mention in the 2002 CPA but did feature strongly in the 2005 NPESAP consultations and those undertaken for the 2009 NPESAP update.

Additional insights into perceptions of health and education in Belize are provided by the abovementioned IDB report. The results for health are somewhat contradictory: over 90% of Belizeans are satisfied with their health; this varies little by quintile and is one of the highest satisfaction levels in Latin America. On the other hand, Belize has the fifth lowest satisfaction level out of 20 countries in relation to the ‘availability of quality health care’ (48% compared with the average of 57%⁵⁵). The implication is that while health is generally good, there is much less confidence in the quality of care provided.

In contrast, parental satisfaction with different aspects of the education system exceeds 90% in every case – although if all respondents are included, these percentages drop significantly. Similar responses were obtained for neighbouring countries while results for Chile were significantly lower⁵⁶. The interesting point here is that Belizeans appear to me more satisfied with the education service than might be expected given some of its performance indicators such as examination results and low secondary school enrolment. The IDB report also shows that satisfaction with the quality of public education also tends to be greater amongst lower income groups – an example of higher income producing higher

⁵² A more detailed examination of urban poverty issues is contained in Chapter 7 in relation to Belize Southside.

⁵³ Short questionnaire surveys undertaken by Rural Community Development Officers (RCDOs) with around half the village council leaders in the country in January 2009.

⁵⁴ Lora E. / IDB, 2008, op. cit.

⁵⁵ Variations by gender are small although the percentage is lower still amongst the poorest quintile and the elderly.

⁵⁶ These are the only countries for which data is presented.

expectations as well as the ability to use private education⁵⁷. The relationship between the perception and the actuality is almost the reverse of the situation regarding health.

The other important finding is the frequency of mentions of the negative impact of politics on development in general, specific projects, land allocation and social cohesiveness resulting from perceived favouritism, unfulfilled promises made during election campaigns, bias against previous government's initiatives, unwillingness to deal with councils run by the opposing political party and general ineffectiveness⁵⁸. Around two thirds of all surveys mentioned these issues, easily the highest proportion of any issue mentioned (and would have been much higher if the results from the random transect walk interviews were excluded). As with the issue of prices, the impact of politics on poverty was not raised in 2002 but was prominent in both the 2005 and 2009 NPESAP consultations. These comments were not confined to the PPAs: almost a half of village leaders interviewed were 'dissatisfied' with current conditions and around half of these mentioned political / governance issues as contributing to this state of affairs.

One additional point is worth mentioning. Some issues are seen positively by some and negatively by others, e.g. logging restrictions and tolerance of squatting, indicating that there will often be opposing views as to the priority given to, for instance, forest preservation and income generation⁵⁹.

4.10.3 *Financial Difficulties*

Additional information on the economic difficulties currently faced by households is provided by Table 4.23 which summarises responses to LSMS questions on financial difficulties currently experienced by Belizeans. Some care should be taken in interpreting the results as not all households will be affected by every type of expenditure, e.g. households without children will not have education expenses.

The clearest finding from the Table is that while poor households are more likely to experience financial difficulties (they also tend to face more such problems), many not poor households also face difficulties, in particular those related to loans and debts, school fees and other/ entertainment expenditure - a likely reflection of the tightening of the economic situation in the last few years. Amongst the poor the most serious issues are a high level of indebtedness (75% have difficulties with debts and loans) while substantial proportions of poor households have difficulties with utility and school costs. Food bills are less frequently mentioned indicating that most poor families either have enough finance for their food expenditure or, equally important, they manage to grow their own. This conclusion corroborates the more detailed information relating to food security presented in Table 3.11.

⁵⁷ This also shows some of the problems with these types of surveys where satisfaction levels do not easily correlate with the reality of the situation.

⁵⁸ The issue of the role of politics in the poverty situation in Belize will recur through the rest of the report.

⁵⁹ In essence, this is a conflict between those, usually low income households, whose short-term needs are such that they have little interest in longer term national or international objectives, and those, usually policy makers and independent experts, who are primarily concerned with long term sustainability – which is equally true of the whole climate change debate. This contradiction is well described in Rosberg M., 2007, Development in Belize – Escaping the Moral Paradox, Galen University.

Table 4.23. Financial Difficulties Faced by Households

Variable	Indicator	Poor	Not Poor	Comments
		% of poor/ not poor H'holds		
No. of Financial Difficulties faced	None or 1	21%	35%	Poor households more likely to face financial difficulties and will face more of them.
	2-3	36%	38%	
	4+	43%	27%	
	Average no. of difficulties	3.5	2.6	
Type of Financial Difficulty	Loans/ debts	75%	64%	A problem for many poor and not poor H'holds.
	Entertainment	50%	38%	A problem for many H'holds implying lack of spare funds for such activities.
	Utility costs	48%	24%	Much less of a problem for not poor H'holds. Many poor H'holds will not be connected to utility networks.
	School fees	46%	48%	Similar incidence for all H'holds; will not apply to H'holds with no kids.
	Food bills	31%	15%	Much more of a problem for poor H'holds but many will rely on home production
	Health costs	28%	18%	More pronounced for poor H'holds but only those who are sick will be affected.
	Transport	26%	20%	Broadly comparable; many households will have few transportation costs.
	Clothing	24%	10%	Much more of a problem for poor H'holds
	Other Expenses	51%	42%	As for entertainment - a problem for many H'holds.

The above difficulties are, for the most part, experienced by the majority of the poor and the vulnerable. Specific problems encountered by particular vulnerable groups identified in the PPAs are:

- Elderly and the disabled: access to health services and their cost; isolation and loneliness; lack of awareness of their rights, either by themselves or the public at large; lack of social assistance; seen as a burden by their families.
- Poor and unemployed youth and young adults: stigmatisation, inability to afford school fees, lack of personal, technical and social skills needed to gain employment.

Table 4.24 shows the impact of basic non-food expenditures (utilities, education and health) on household expenditures. With the exception of education, the majority of households have expenditures on all these items and almost all make payments on at least one: 80-90% pay for each utility, 67% for health (which would include medicines bought privately) and just under half have education costs⁶⁰. These proportions are similar for poor and not poor households but, apart from education, are higher than for indigent households, indicating that lack of income for these households makes it harder for them to achieve their basic non-food needs.

None of these expenditures accounts for a significant proportion of household expenditure. Median percentages (of total household expenditure) do not exceed 2% except for electricity (5%); the

⁶⁰ Given that 65% of households have children, the 'true' percentage would be in the order of 66%, similar to those for health expenditures.

proportions of those paying more than 10% on one item is around 1 in 10 households for education, electricity and health and is much lower for cooking fuel and water. Again, these ratios tend to be lower for indigent households, due to lower consumption or lack of connections. Poor households, however, tend to pay proportionately more than not poor households. The low proportions of expenditure paid on any one of these items means that relatively small increases in their costs will not represent a significant increase in household expenditure.

Table 4.24. Non Food Household Expenditures

Expenditure Item		Indigent	Poor (not indigent)	Not Poor	ALL
Electricity	% Paying	63	84	90	86
	Median %*	4.6	5.9	4.6	4.8
	% paying >10%*	10.1%	18.2%	13.3%	14.0%
Water	% Paying	58	80	84	80
	Median %	1.9	2.5	2.0	2.1
	>10%	0.8%	1.8%	2.0%	1.9%
Cooking	% Paying	55	84	87	83
	Median %	3.5	3.1	1.9	2.2
	>10%	4.9%	3.5%	0.7%	1.6%
Health***	% Paying	56	64	69	67
	Median %	1.4	1.7	1.2	1.3
	>10%	7.3%	8.3%	9.8%	9.3%
Education	% Paying	47	48	41	43
	Median %	1.7	1.8	2.1	2.0
	>10%	2.9%	7.5%	10.2%	8.7%
All basic needs	% Paying	92	98	98	98
	Median %	9.4	14.1	11.9	12.1
	10-20%	41%	47%	41%	42%
	>20%	11%	28%	19%	20%
Food Expenditure	Median %	71	53	39	45

* Of total household expenditure.

** Of those paying.

*** Most health services are provided free of charge in Belize, however, 45% of Belizeans considered that they would need to make some contribution to their hospital costs (IDB, op. cit.). Expenditures also occur if: (i) prescribed drugs have to be purchased from private pharmacies (owing to non-availability at health centres or hospitals); (ii) drugs are purchased through self medication; and (iii) health care is sought privately.

It is, however, also important to look at the total expenditure from all these items. Overall, these items represent 12% of total household expenditure (14% for poor households and just under 10% for indigent households). More tellingly, 28% of poor households pay over 20% of their household income on these items compared to 11% for indigent and 19% for not poor households. The cumulative impact of increases in expenditures on these items can therefore represent a significant increase in the household expenditure of low income households. Allied to food expenditures, this implies that most of these households will have limited funds available for other essential expenditure (e.g. clothing, transportation and housing). It also goes some way to corroborating the preceding information on difficulties faced by the poor caused by rising prices obtained from the PPAs and the LSMS.

By and large these difficulties and problems encountered by poor and vulnerable households are little different than those identified in previous studies. The main differences would, therefore, be a matter of degree rather than any significant shift in the nature of the problems. Notwithstanding this general conclusion, there appears to be an increasing awareness of the problems related to political interference while the LSMS was undertaken at a time of economic contraction following severe flooding and a rise in prices in 2008. Conversely, the provision of social and physical infrastructure has demonstrably been improved since the previous CPA.

4.10.4 Coping Strategies

Coping strategies is the term generally adopted to include the measures taken by poor households to supplement their incomes so as to obtain the food or other necessities they need to support themselves and their families. It should be noted that whilst some such activities (e.g. seeking assistance from government, friends or relatives) can clearly be regarded as coping strategies, the inclusion of others such as undertaking second occupations, engaging in petty trade or working longer hours, imply a normative model of what a 'non-coping' existence should be, e.g. should the principal child carer be expected to also work, and should this depend on the age of the children?

Table 4.25 shows the most important strategies adopted by Belizean households to cope with the financial difficulties described previously.

Table 4.25. Main Coping Strategies

Coping Strategy	Poor	Not Poor	Total	Comments
Seek assistance from politicians	30	24	26	By far the most prevalent
Pray	12	23	18	Less prevalent amongst the poor
Dip into savings	6	14	11	The poor are much less likely to have savings
Borrow from established creditors	12	8	10	The level of indebtedness has been mentioned previously.
Forgo some necessities	12	7	9	'Classic' coping strategies.
Stop/ delay paying bills	12	9	10	
Sell / pawn assets	5	7	6	The poor will have few saleable assets
Seek assistance from friends or relatives	6	5	6	Rare perhaps indicating that
Stop children from going to school	2	3	3	Rare
Hustle/ Illegal activities	1	0	1	Probably under-estimated.
Total	100	100	100	
Households citing one of the above strategies	61%	41%	48%	

The two most important findings from the Table are:

- A substantial minority of not poor households also need, on occasion, to adopt coping strategies. The overall pattern of these is not that dissimilar to those adopted by poor households, apart from not poor households having a greater likelihood of having savings or assets that they can use.

- The dominance of the strategy of asking politicians for assistance which reveals: (i) a high perception that politicians can resolve a household's problems; (ii) that politicians can, not infrequently, resolve these problems; (iii) that conventional approaches, i.e. through government programmes or through implementing agencies, are inadequate and/or likely to fail; and (iv) a dependency on politicians which erodes the ability to seek assistance from (and provide assistance to) family, friends, neighbours and communities.

Apart from recourse to politicians and praying, no coping strategy mentioned was adopted by much more than 10% of those responding to this question.

It should be noted that the question only sought to identify the main coping strategy adopted by each household. With the exception of 'praying', the above responses exclude other 'psycho-social' responses such as child neglect and physical abuse, drug-taking and alcoholism, depression and apathy. A more rounded, albeit qualitative, picture of coping strategies, however, emerges from the PPAs.

Throughout the PPAs, it was seen that people who can't make ends meet often cope by depending on politicians (see Box 4.1), influential leaders of the community, GoB provided assistance, Churches, Non-Governmental Organizations (NGOs), and other Community-Based Organizations (CBOs) for small handouts and assistance. Due to lack of skills and training, no access to jobs and education many revert to "pull strings" by doing political favours to gain access to jobs and schools. Individuals, friends, and families of political leaders rely on "Who you know and who know you".

Box 4.1. Reliance on Politicians as Coping Strategy

Last Friday, Ms. XXX showed us her home which she was forced to move out of because of the squalid conditions. She got assistance from her Area Representative xxx. Well Mr and Mrs YYY say they too need help. Unlike Ms. XXX - they are still living in their home on North Creek Road but they say it is on the verge of collapse and they need help – which they say their Area Representative yyy hasn't been providing.

Mrs. YY: *"The most important thing is the step, I will show you the siding of the bathroom. The kitchen, look how the kitchen is leaning on one side. Woodlice eat out the house. If woodlice never eat out the house I wouldn't have gone with him you understand. The whole house woodlice eat. This is my daughter's house and that is my one. The whole house, all the sewage, the bathroom – everything, you sit down on the toilet and you don't feel safe cause the floor the sink in at the bottom. The toilet drop in and everything, everything. I can't do betta. I nuh have no money. If I had anybody to help me and thing, you think I would live in this condition. He does work and thing but he can't see now. He can't see. We need help. The man says he will help we and he nuh the help we yet. When they want to get in power they tell you everything and when they get in power they don't remember poor people again."*

Mr. YY: *"I voted for him and this is what he did and then he told me the last time, my wife had a little saloon and he said I will help and up to now nothing yet."*

Source: 7NewsBelize.com, 30-10-2009, <http://www.7newsbelize.com/sstory.php?nid=15387&frmsrch=1>

For some, coping is alleviated by assistance received from family and friends (Table 4.26). Around 30% of households receiving such assistance with around a fifth of these households receiving assistance from both outside and inside Belize; only 6% receive assistance from both inside and outside Belize. These proportions, as one would expect, are higher for poor and indigent households – 46% and 35% respectively; 41% of those receiving are poor compared with 27% of those not receiving.

The median contribution to household income accounted for family assistance is just under 20% (slightly higher for poor households) and, for over a quarter of receiving households, this assistance accounts for

over half their income. Furthermore, family assistance provides an income equivalent to the national poverty line for an adult for around a third of receiving households (10% of all households).

Overall, assistance from family and friends is common amongst all Belizean households, particularly those on low incomes. In most cases, the level of assistance provided in this way has a significant rather than a substantial impact on household incomes – under 10% of Belizean households (whether poor or not) receive assistance equivalent either to more than half their income or to the national poverty line.

Table 4.26. Financial Assistance from Friends and Family

Households receiving Assistance	Indigent	Poor (not indigent)	Not Poor	ALL
ALL Receiving	46%	35%	25%	30%
From overseas	23%	17%	10%	13%
From within Belize	12%	8%	11%	10%
Both	12%	10%	4%	6%
Poverty Targeting				
Not receiving assistance	8%	19%	73%	100%
Receiving assistance	17%	24%	59%	100%
Impact on incomes				
Median % received*	22	22	15	19
% receiving >50%**	26%	30%	27%	28%
% receiving >BZ\$3,400***	33%	25%	28%	28%

* Of total household income.

** Of receiving households.

*** Poverty line for an adult male.

It was believed by some PPA respondents that unemployed, single mothers rely on the system for child support assistance; however, as seen in Table 4.27, the incidence of such assistance, pensions and social assistance, is extremely low both in terms of the number of recipients and the amount they receive.

Table 4.27. Financial Assistance from Social Assistance and Pensions

	Indigent	Poor (not indigent)	Not Poor	ALL
Social Assistance (%of all households receiving)	2.7%	1.9%	1.5%	1.7%
Poverty Targeting				
Not receiving assistance	11%	20%	69%	100%
Receiving assistance	17%	23%	60%	100%
Impact on incomes				
Median % received*	12	23	15	19
% receiving >50%**	0%	0%	10%	6%
Pensions (% receiving)	18%	18%	10%	12%
Poverty Targeting				
Not receiving pensions	10%	19%	71%	100%
Receiving pensions	16%	29%	56%	100%
Impact on incomes				
Median % received*	23	28	19	19
% receiving >50%**	20%	24%	24%	23%

* Of total household income.

** Of receiving households.

NB. See Tables 6.24 and 6.25 for a further analysis of this information.

Less than 2% of households receive any social assistance. Furthermore, there is only a slight pro-poor bias in recipient households: 40% of households who receive social assistance are poor which is not much higher than the 31% poverty rate for non-receiving households. In consequence, over 60% of households receiving social assistance are not poor. The median contribution to household income is also low – 19% for all households rising to 23% for poor (not indigent) households; in very few cases, does social assistance account for more than half total income.

12% of households receive pensions (whether from Social Security, the Non-Contributory Pension or overseas)⁶¹, much higher than the coverage of social assistance. Median contributions are around 20% of household incomes with under a quarter receiving pensions worth more than half their total income. Households receiving pensions are much more likely to be poor than those not receiving – 58% as against 29%. Nevertheless, the majority of households receiving pensions are not poor⁶². Also striking is the fact that only 15% of households declaring pension income contained an older person (65+ years)⁶³ and only 9% of ‘elderly’ households had some pension income. This means that only a minority of persons over 64 years are receiving pensions – although this situation will change as current younger recipients grow older.

Poor households also rely on charity from churches, schools, and other organizations in the form of clothing, food, and educational assistance. In respect of the latter, 9% of currently enrolled students (excluding pre-school) receive some form of educational assistance (52% receive grants and 49% scholarships). Approximately similar numbers of primary, secondary and post-secondary (high school, vocational college and university) students receive assistance. Given the very different enrolment levels, the coverage of this assistance varies greatly: only 4% of primary school students receive assistance while 17% of secondary and 29% of post-secondary students are assisted (Table 4.28). The Table also shows the relationship between educational assistance and poverty status. The most notable findings are:

- At primary and secondary levels, educational assistance coverage rates are higher for poor as opposed to not poor students but the differences are relatively small.
- For post-secondary education, the majority of indigent students receive assistance compared with around 30% for other students.
- Half of those receiving assistance are poor but this proportion varies considerably between educational levels. Almost 80% of primary school recipients are poor as are over 50% of secondary school recipients.
- The poverty targeting of assistance to post-secondary school students is much lower as far fewer students from poor households progress from secondary school.

The principal implications are that relatively little assistance is available to assist needy primary school students while only a fifth of secondary school students are able to access assistance with education

⁶¹ This proportion is largely consistent with data from SSB which shows around 5,000 persons receiving regular social security pensions and around 4,000 receiving the Non-Contributory Pension.

⁶² This is not unexpected given that Social Security pensions are not targeted and only apply to retired formal sector workers.

⁶³ Due to many pensions being payable at 60 years or lower and early retirement.

costs. The availability of assistance for post-secondary education is substantially higher but obviously only assists those who have completed their secondary schooling.

Table 4.28. Assistance with Education

Students Receiving Assistance	Indigent	All Poor	Not poor	Total	Assistance by level
ALL	12*	9	9	9	100
Primary	9	6	2	4	34
Secondary	18	22	14	17	31
High School / Vocational/ University	59	32	28	29	36
Poverty Targeting					
ALL	22**	50	50	100	
Primary	44	77	23	100	
Secondary	13	52	48	100	
High School / Vocational/ University	10	23	77	100	

* Students receiving assistance as percentage of enrolment at each level.

** % of those receiving assistance by poverty status.

NB. No estimates of the value of the assistance provided is available.

Other needy persons, including single parents, elders, and young women in institutions, with less access to outside assistance, explained that they coped by relying on their faith believing that God will provide. However, some coping strategies are more destructive. Some parents facing intense hardship abandon and neglect their children, often leading to anti-social behaviour and school non-attendance or resulting in the removal and institutionalization of their children or their placement with family members.

Other coping strategies, if they can be called that, are apathy, alcohol and drug usage and social exclusion⁶⁴. Across the board, the PPAs showed that some individuals and households were involved in illegal activities as a supplementary means of supporting the meagre income. It was the basic survival instinct to do whatever it took to make ends meet sometimes for their own survival but also to support their single mothers, younger brothers and sisters - even if this necessitated recourse to illegal methods. These activities included selling drugs, guns and other illegal activities. Stealing, begging, and hustling were prevalent among young men while some young women engaged in transactional sex. These illicit trades and activities were more prevalent among young men in the urban areas. In rural areas, young men were more likely to engage in illegal cross border trade hunting and tree felling in protected areas.

Coping strategies also extend to housing. In Belize City, homes are built over swamps, lands are filled with garbage, and polluted rivers are being utilized for bathing, washing, and drinking. It was explained that due to financial and other resources, individuals and families have no recourse but to remain in their environmental risky situations due to a combination of the lack of resources arising from low paying jobs, immigration status, restricted job employment opportunities, and the absence of alternative affordable housing sites in areas free from flooding and with adequate service provision.

⁶⁴ See Chapter 7 for a more detailed analysis of the situation facing Belize Southside residents.

4.11 *What should be Done? The View from Belize's Communities*

The major focus of the PPAs was on identifying potential recommendations which could be incorporated into the Programme of Action which constitutes a major focus of this study. All PPA participants were therefore asked what they considered to be their priority needs. The results are summarised in Table 4.29 which also includes the results of similar questions posed to the local leaders as part of the village survey questionnaire⁶⁵.

Table 4.29. Priority Needs as expressed by PPA Participants

Needs/ Suggestion/ Requirement	CM	KI	TW	ALL PPAs	VS	ALL	%
Land/ agriculture (incl. marketing and training)	4***	14	2	20	31	51	18%
Jobs/ employment	6	14	1	21	**	21	8%
Capacity building, training and micro-credit for small business / job creation for youth & women	5	8	0	13	28	41	15%
Health	4	5	1	10	10	20	7%
Education	5	6	2	13	16	29	10%
Community facilities*	8	3	5	16	27	43	15%
Infrastructure	6	9	8	23	41	64	23%
Other (mostly housing)	0 #	2	0	2	8	10	4%
Total	38	61	19	118	161	279	100%
Sample	13	24	15	52	91	-	-

* includes sports facilities, hurricane shelters, community centres.

** Implicit in capacity building and land/ agriculture category.

*** No. of mentions by PPA respondents

Some mentions regarding land were in reference to housing although most related farming land.

Source: PPAs and Village Surveys.

The priorities most frequently mentioned are those related to infrastructure (usually water supply and electricity but also variously roads, garbage collection for peri-urban communities. Arguably of greater significance are the mentions relating to employment and jobs: overall 40% of mentions referred to either the need for jobs, improved training for women and youths, better access to credit and land, and enhanced support for agriculture, which reinforce the concerns of PPA participants and village leaders regarding the need to improve the economic situation. About a sixth of all mentions related to health and education.

Table 4.29 was obtained by analysing the summary pro-formas produced by the PPA survey teams and, to a large extent, they reflect the concerns summarised in Table 4.22. More detail is however provided in the analysis of the PPA results undertaken by the NAT sub-committee created for this purpose⁶⁶.

⁶⁵ These potential recommendations are those arising from the PPAs; those arising from the Institutional Analysis interviews will be presented in Chapters 5 and 6.

⁶⁶ A study workshop covering a weekend was used to analyse the PPAs and prepare an initial report on the main findings. This workshop was attended by NAT members and several of the PPA team leaders. The findings of this report have been incorporated into this Chapter. The complete report and a more detailed analysis of the PPA results is contained in Volume 2.

The need for generating income opportunities such as assistance for starting up a business, and the creation of more jobs, were identified as key issues by most participants throughout the country. They felt that more effort was needed to develop job skills, and on small business promotion and the provision of credit. To deal with existing and potential entrepreneurial ventures among the population, respondents called for affordable solutions and training that respond to their need for inputs, storage, processing, labelling, advertising, distribution and marketing. Improving access to land to enable current farmers to produce more and providing the rural unemployed with the ability to become more self-sufficient was seen as a priority in many communities. Very similar suggestions were made in the Focus Group Discussions held with unemployed men and women in Dangriga and Belize City. More detailed suggestions for improvements to non-economic factors, in no particular order, are:

- Making education more relevant to the needs and aspirations of the population and improving its quality in areas where hardship limits the future prospects of children; providing financial assistance to enable continued schooling and participation in training courses.
- Reducing health and medical costs for the poor, the elderly, the disabled and the chronically sick; improving access to health services in rural areas.
- Continuing to improve access to potable water and sanitation services.
- Improving the maintenance of infrastructure, schools and health centres; providing more secondary and feeder roads required to get produce to markets; improving garbage disposal.
- Providing more social services for those in need both direct and indirect such as counselling and mentoring; facilitating access to gainful and voluntary employment for the elderly and the disabled; increasing disabled friendly building access; consciousness raising activities about the rights, needs and aspirations of these groups.
- Policing in areas where crime is prevalent needs to be more diligent.
- Implementing programmes to promote life-skills, positive values and attitudes, healthy life-style practices, self-worth, and self-control. It is believed that such programmes would certainly help to curb anti-social behaviours such as stealing, poor decision-making, risk-taking, crime, and violence thereby restoring a sense of safety within communities.
- Addressing issues of low wages, especially in Stann Creek where immigrants are seen as undercutting Belizeans, high prices which erode incomes and the high cost of agricultural inputs, possibly through price controls.

Several suggestions also covered institutional issues: better co-ordination and targeting of programmes⁶⁷; simpler application processes and reduced red tape (especially in regard to land allocations; ensuring that infrastructure is better maintained; closer involvement of programme implementers with beneficiaries in designing and implementing interventions; greater emphasis on making programmes consistent with social and cultural characteristics. Participants are of the opinion that if elected officers, representatives of NGOs and other organizations were to consult and to respond more creatively to needs and aspirations than to prescribe welfare solutions, available limited resources would have much greater impact.

⁶⁷ More detailed comments on current programmes are contained in Section 6.13.

Many comments were also made on how to address the issues related to political interference and favouritism which are seen as having reduced the effectiveness of programmes, created divisiveness in some communities, reduced assistance to those not having access to decision-makers, and generally reduced self-reliance. Participants believe that if there were transparent policies and procedures in place to administer the distribution of resources and support without fear or favour to potential beneficiaries, much could be done to alleviate the hardship experienced by the poor while simultaneously dispelling any notion of unequal or unfair treatment.

In summary, the people of Belize are calling for:

- Enhanced education, training, job opportunities, access to land, credit and markets to pave the way to individual work, self-respect, self-reliance, sustainability and to social transformation.
- Better designed and targeted safety nets for those who need them, such as the non-working mothers, the elderly, the disabled and the chronically sick.
- The depoliticising of services and assistance to reduce the negative and divisive impact that political interference and favouritism are having on current development efforts, communities and individuals.

However, the PPAs did identify a clear split between those participants who were adamant that it was the government's job to provide financial assistance for their needs and those who saw training in human/skills for empowerment and to increase income opportunities as priority needs to enhance their quality of life. This difference in response was particularly notable between the males and females from among the vulnerable groups with males tending to prefer immediate aid to long-term, self-help assistance.

Nevertheless, one should not underestimate the self-reliance of the country's population – most are not poor, only a very small minority go hungry for prolonged periods of time, few are completely unemployed, most coping strategies are legitimate (and include a variety of strategies to care for children in the face of adversity), and few of the poor receive enough in the way of direct assistance to provide for more than a small proportion of their needs. Direct (e.g. social assistance, micro-grants) and in kind (e.g. training, community development, micro-credit) assistance, whether by government, NGOs or charities (such as the churches, the Red Cross) is very limited. There is thus little evidence that this tendency towards 'welfarism' is the same as that which has developed in some developed countries where low/ no income households rely increasingly on government handouts.

4.12 *The Causes of Poverty in Belize*

4.12.1 *Local Perceptions*

Table 4.30 summarises local perceptions of the causes of poverty in Belize. There is nothing exceptional about these views. Most link directly or indirectly (as in the case of inappropriate education and loss of self-sufficiency) to the inability to either obtain adequate income now or the fear that this will not be achievable for the next generation. Issues of jobs and land are essentially two sides of the same coin with the former applying more to urban dwellers and the latter to the rural population. Issues of loss of cultural identity are also typical of previously isolated indigenous groups facing increasing intrusion from mainstream economic and social values. 'Irresponsible' household and personal practices are also

commonly seen as a cause of poverty whether resulting from poor parenthood or anti-social behaviour by individuals (e.g. lack of willingness to work, anti-social or criminal behaviour).

Table 4.30. Local Perceptions of the Causes of Poverty

Type	Creole	Garifuna	Maya	Mestizo
Economic	Low wages, un-employment, and high demand for few jobs in urban areas.	Lack of employment opportunities and job discrimination: <i>They snub us and the Hispanics get work.</i> Scarcity of land. Agricultural marketing problems: <i>They would not give you a helping hand... no loans to farmers</i>	Landlessness: <i>The land is not owned; it is a reservation, therefore access to loans is difficult.</i> Poor markets for produce: <i>Everything is hard for us; we lack marketing and job...even though we harvest rice, when it sells no profit made, this is why we stop.</i>	Low wages and preferential treatment of “foreigners”: <i>They come in and work for cheaper without work permits...new-comers get benefit over the people who are from here...</i> Inadequate use of land: <i>Whereas some need the land, others have land which they are not using.</i>
Education	Insufficient education: <i>Nowadays, if you don't have a piece of paper you don't have a job.</i>	Inappropriate education: <i>Dunce head linked to fisherman and farmer, that means you are no good.</i>		Inappropriate education: <i>Education is geared to white collar jobs and not farming and rearing of chickens and animals for daily use.</i>
Cultural		Cultural erosion & unwillingness to work: <i>Children have become dependent on things from abroad... they shame to go a bush”</i>	Loss of culture of self-sufficiency: <i>Instead of making sugar, [you] start buy sugar...too much influence from outside.</i>	Loss of self-sufficiency: resources: <i>Self-sufficiency is not encouraged...Belizeans feel it is degrading to grow and sell products.</i>
Social	Loss of respect for family; Single mothers and irresponsible fathers: <i>Females over the years have grown more independent, and in turn directly or indirectly push their female children...[but without fathers] to keep them in check, the boys are pushed to gangs and drugs, only want to drink and have girls.”</i> Overspending: <i>“They budget poor and they live above their means with higher purchase.”</i>	Single parenting and poor parental supervision: <i>Males, especially go astray with the end result of delinquency and crime.</i>	Alcoholism: <i>The money is spent in the bars buying short rum...It takes away food from the family table.</i>	Poverty was seen as being lazy in the eyes of many of the participants in the rural areas. They felt that if you have access to the land, there is no way you can be poor saying: <i>“You reap what you sow”, being able to eat off the land.</i> **

** 2009 PPAs; source of comment does not specify ethnic origin.
Source: adapted from 2002 CPA.

The main changes that have occurred since 2002 are the increased importance given to two factors not featuring in the above Table. These are:

- the pressure that rising prices are having on already stretched incomes of low income households

- the perception that poverty is linked to political interference and bias.

These issues were mentioned consistently in this study's PPAs undertaken for this study (Tables 4.21 and 4.28). These surveys nevertheless showed the continuing importance of issues related to the unavailability of employment and land. Less emphasis was given to community cohesiveness and social issues, although the latter received prominence in the PPAs conducted for the vulnerable groups.

4.12.2 *Understanding the Causes of Poverty in Belize*

It is important to distinguish between the immediate cause of poverty, which is the same in Belize as elsewhere - insufficient income or resources for individuals and households to maintain a healthy lifestyle - and the factors that lead to this insufficiency. This 'tracking back' to the underlying or root causes of poverty can involve several steps. Although how detailed this analysis should be is a moot point if it starts identifying causes which either date back to long standing historical factors⁶⁸ or other issues that are outside the ability of government to influence.

At the risk of over-simplification, the causes of poverty in Belize can best be understood by splitting the causes of poverty into a combination of economic and non-economic factors with the former largely applying to those who are able to work (whether or not they are actually working) and those who cannot due to reasons of family duties, age, disability or illness. As will be seen there are linkages between these two sets of factors which can reinforce each other and lead to a cycle of trans-generational poverty. As will also be seen the impact of income poverty can be reduced or exacerbated by non-income aspects such as those relating to basic needs, and wellbeing (personal and social security, inequality and vulnerability).

It is also important to understand that drawing a distinction between the causes and the characteristics or consequences of poverty is often not at all clear-cut. Thus while poor housing is clearly a consequence of poverty, can the same be said of poor education? Are the poor less well educated because they are poor OR is their lack of education a consequence of their poverty?⁶⁹ This, however, is essentially a semantic argument as if one accepts that poor education is related to poverty in some way, there is a clear implication that access to education by the poor should be a development objective – which is universally accepted. Conversely, it needs to be recognised that improving education and training will not in itself result in a reduction in poverty unless the newly educated population can access employment. Much the same goes for infrastructure.

Nonetheless, 'unpacking' the causes of poverty is crucial if one is to formulate policies, projects and programmes to reduce poverty.

⁶⁸ In this context, it is considered that analyzing the influence of pre- and post-colonial periods on poverty in Belize today would be of academic interest rather than practical relevance. Rosberg provides such an analysis (Rosberg M., 2005, *The Power of Greed*, Chapter 3, University of Alberta Press) but the main conclusion – that development experts need to pay greater attention to the aspirations and interests of key stakeholders – is hardly revolutionary.

⁶⁹ Analogy courtesy of John Harrison.

4.12.3 *The Economic Causes of Poverty in Belize*

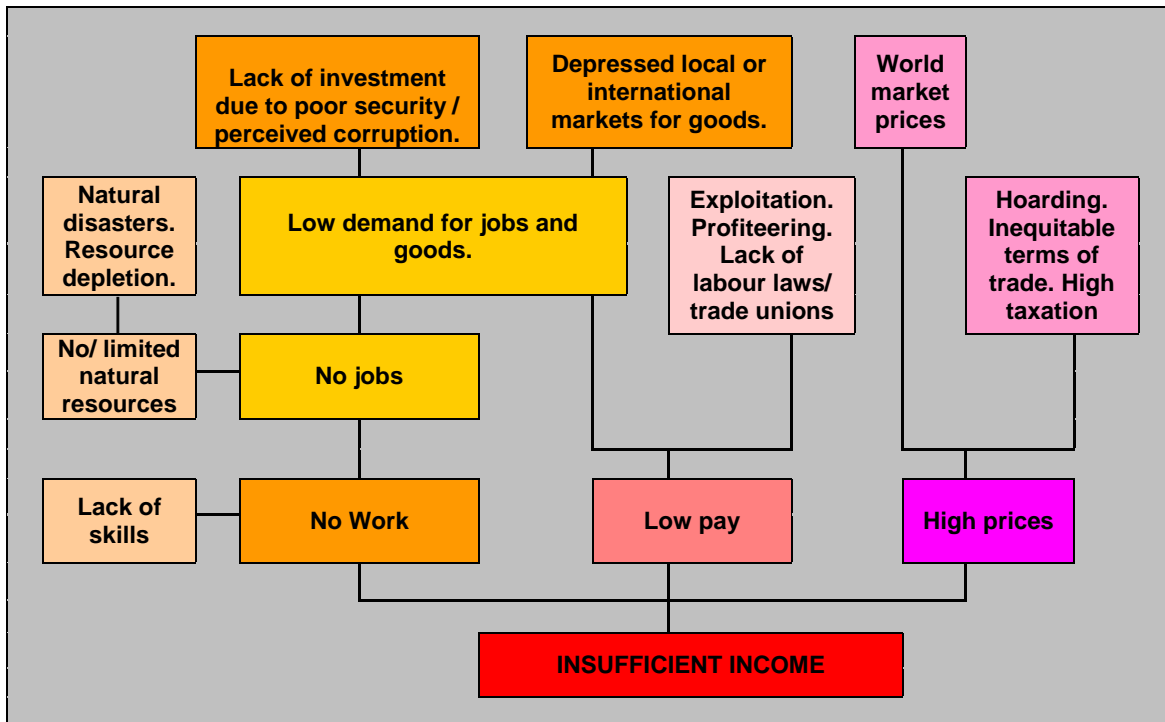
Figure 4.9 provides a simplified representation of the economic factors that can lead to poverty. Although this is a generic diagram, many of these factors are considered to be currently relevant to Belize. The diagram shows that the root cause of much of Belize's poverty therefore lies in exogenous factors such as global economic conditions, reduced tourism, changing markets for its produce, the absence of large scale tradable resources (oil production already appears to have peaked) and natural disasters, all of which have increased under-employment in Belize leading to reduced incomes and hence increased poverty, of both workers and their dependents.

This situation is not particular to Belize, indeed it is worldwide. Other Caribbean countries are also suffering. Nor are developed countries immune, unemployment is still rising in the USA as it is in Britain; Dubai's economy is now, to all intents and purposes, moribund; and even in China, job shedding occurred on a huge scale once demand from developed countries for its manufactured goods started falling. Nor is it a product of modern day globalisation: Belize's economy has suffered its ups and downs over the last 100 years as demand for its products, first logwood, then mahogany followed by sugar, bananas, citrus and shellfish, rose and declined⁷⁰. Poverty in the Caribbean as a whole was also acute after the war which was then assuaged first by emigration, and then the recovery of the world economy.

Some recent examples of how these factors have affected Belize are: (i) withdrawal of preferential tariffs for bananas; (ii) competition from sugar producers in Brazil and elsewhere; (iii) non-competitiveness of garment manufacturing due to cheaper production costs in the Far East; and (iv) reduced tourist arrivals due to the recession. All these have induced retrenchments and/ or reduced working hours / wages in these sectors leading in turn to (i) loss of household income by employees; (ii) reduced purchases from suppliers (e.g. agricultural inputs); and (iii) negative multiplier impacts as directly affected workers reduce purchases of local goods and services.

⁷⁰ Just as happened in the old manufacturing heartlands of developed countries which are now a shadow of their former selves.

Figure 4.9. Economic Causes of Poverty (Source: CPA Study Team)



GoB, as governments everywhere, has little potential for directly increasing employment - if they did they would have shown the way. Nor can GoB, with its limited revenues and heavy debt burden, implement a major financial stimulus package like many developed and some developing countries have done. Even if some of these may lead to serious financial woes in the future – IMF projections for UK’s medium term financial prospects are pessimistic to say the least and major cuts in public expenditure are now almost certain.

This is not to say that GoB is completely powerless on the economic front. It can work to enhance the demand for its goods, encourage tourism and investment (foreign and domestic), increase access to credit, review its taxation policy, improve the quality of its labour force through better education and training, facilitate land allocations so that the rural population can increase their level of self-sufficiency, and continue to lobby for reduced subsidies to farmers in the US and Europe. In short, do its utmost to create an environment conducive to investment. But, and this is a crucial point, GoB can also ensure that this message reaches its citizens so that they firstly reduce their expectation that government can provide all they require (or think they require); and secondly, instil a greater sense of self-reliance, ingenuity and entrepreneurship amongst its population⁷¹.

4.12.4 *The Non-Economic Causes of Poverty in Belize.*

The primary non-economic causes of poverty⁷² are those reasons that prevent an individual from gaining employment, due most frequently to age (too young or too old), disability or illness, and the need to care

⁷¹ The new UK government appears to be embarking on exactly this type of approach as it confronts the country’s debt mountain.

⁷² Other non-economic causes of poverty which do not apply to Belize, include war, famine, internal displacement.

for children. These groups generally have few financial resources of their own and thus have to rely on partners, families or government to provide their income. Traditionally, partners or the extended family network provided this support, although traditional societies have not always been particularly sympathetic to the plight of mothers whose husbands have died or departed, or been sympathetic to cases of domestic violence and other forms of abuse. Yet this system is breaking down, as it is throughout most of the world. This places added importance on assistance from governments and other agencies if large numbers of these groups are not to fall into poverty.

The key point is that these groups have to be supported by their families and /or government. There is, however, a difference between the predicament of the elderly and disabled on the one hand, and children and the caring parent on the other. For the former, poverty largely results simply because of their age, illness or disability - factors which are to all intents and purposes unavoidable. Children are also wholly dependent on their parents for their physical and emotional upbringing during their early years and, as they grow older, in modern societies, the state for their education. If either of these forms of support are absent or deficient, their life chances can be severely compromised leading to a cycle of trans-generational poverty from which it is often difficult to escape.

The Elderly and the Disabled

Poverty amongst the elderly is lower than for the population as a whole reflecting the availability of their own resources, family support, and, albeit limited, pensions (including the NCP which is specifically targeted at the elderly poor with little or no family support). The likelihood of poverty amongst the elderly is, somewhat counter-intuitively, less if they live on their own or as a couple than if they live, as most do, with other family members. One possible explanation is that higher income households are more likely to be able to afford separate accommodation for themselves and their parents. In lower income households, this option is less likely to be available so they are more likely to live in an extended family.

This analysis, however, relates only to income poverty and it presents a paradoxical situation. Older persons living on their own are much less likely to be income poor but, intuitively, are more likely to suffer from loneliness and, if their mobility is reduced, access to services, i.e. their general level of wellbeing will be lower. In complete contrast, older persons living with other family members are more likely to have less income but will derive other benefits from having other family members around – more companionship, more assistance, participation in household activities – and have a higher level of wellbeing; apart from health care, their expenditures will also be lower. Obviously, there will be instances of single elderly people living happily and of older persons in extended households being under-valued and exploited. The crucial point, however, is that this is a situation where income poverty will not always be perfectly correlated to wellbeing.

The disabled fall into the same category as the elderly in that, to varying extents, they are often unable to support themselves unaided. The LSMS identified only a very small proportion (around 1%) of the population living with severe disabilities or chronic illness sufficient to exclude them from normal activities⁷³ ; the poverty rate of this group was slightly below the average at 37% implying that most are

⁷³ I.e. their economic status was described as ‘disabled’ or ‘chronically ill’. Also excluded are the disabled living in residential accommodation.

receiving significant support from their families. A less restrictive definition of disability was used in the 2001 Census which showed that around 6% of the population experienced some form of disability with many experiencing more than one type of disability. However, this data gives little indication of the severity of the disabilities and their impact on the wellbeing of those affected.

Women, Children and Families

The gender dimensions of poverty are given increasing importance in poverty assessments, development projects and government policy-making. LSMS data, however, reveals little association between poverty and gender whether by age, family structure, presence / absence of children (under 18 years). There is little disparity in terms of primary school enrolment and post primary enrolments are higher than for males except in Toledo. Occupational patterns vary between men and women and female labour force participation are lower but this primarily reflects the rigid gender disparities in responsibilities for child care and household maintenance – roles which fall far more heavily on women than men. The greatest differential impact of poverty on women is therefore largely synonymous with the impact of poverty on children and families. In consequence, it is difficult to see how the issues of female and child poverty can be treated in isolation from each other.

In many cases, the root cause, characteristics and consequences of poverty for families with children are the same as those for other groups: lack of income leading to reduced expenditure for utilities, food, clothing and school fees, thereby impacting both the livelihood of children and their future life prospects.

Income loss will always occur if a previously working wife has to give up work to look after the newborn; expenses also increase, especially as a child ages. For those on average or low incomes but above the poverty line, a transition to poverty may thus be unavoidable, especially if there is little in the way of child benefits or childcare assistance (from family or government) which would allow a rapid return to work for the mother. However this descent into poverty will be largely transitory if the income of the non-caring parent increases over time or the caring parent (usually the mother) is eventually able to return to work.

However, the situation becomes much more serious if the parents' relationship breaks down. This can occur because of the stresses on the relationship brought about by lack of income, e.g. feelings of inadequacy from the father due to his inability to provide for his family, and / or the mother resenting this inability of the father to provide the financial support she needs. But there are other causes of family break-up: the immaturity and incompatibility of young couples where pregnancies were unplanned and without sufficient consideration of the issues (financial and other) related to bringing up children; infidelity; male partners being unwilling to adapt to being fathers and support their children; mothers 'excluding' fathers from child care and not paying them enough attention leading to resentment and antagonistic behaviour. The situation is exacerbated if more pregnancies occur, further increasing stress on family finances and relationships alike.

The financial situation of the family when the break-up occurs can be crucial in determining the ability of the remaining partner and the children to fend for themselves and achieve a reasonable standard of living. Family break ups frequently occur reasonably amicably with suitable arrangements made for child support and access. Indeed the data suggest that single parent households (overwhelmingly female headed) experience lower levels of poverty than nuclear and extended families.

Where these conditions are not present, the consequences can be disastrous for parents and children. The lack of an alternative way of gaining income, allied to the fear of being alone can result in mothers remaining in a dysfunctional family situation and putting up with abusive behaviour towards her or her children. To cite a recent report:

*“Single mothers who are unable to sufficiently provide for their family, and being economically dependent on men, ignore abuse within the home in order ensure the family’s economic survival”.*⁷⁴

Yet if either parent leaves, the consequences for the caring parent, almost always the mother, are likely to be increased hardship, stress and depression. This can lead to a tendency to enter into relationships with new partners and becoming pregnant again in the hope that this will enable the relationship to be maintained, thus risking perpetuating the cycle - but with more children to support. The choice therefore for a mother in these situations, whether to leave or whether to stay, becomes one between two evils.

The consequences for children can be even more severe and have greater long term implications for their future wellbeing. In addition to disrupted education and poor nutrition, children in struggling one parent households suffer from both the lack of father figures⁷⁵ (current male partners may be resented by, or resentful of, children from previous relationships) and the necessary maternal attention which is precluded by the mother spending her available energy trying to feed and clothe herself and her children. As a result children can make decisions to adopt the irresponsible tendencies of their parents or fall into anti-social behaviour either because this is the behaviour they have observed, or because ‘hanging out’ with other disaffected youths provides them with a level of security unavailable at home, or again as a means to help their mother by providing contributions to the family budget. The classic manifestations are inattentive and disruptive behaviour in school, joining gangs and getting involved with drugs and crime, early and promiscuous sexual activity, and the continuing rejection of contraception. Other reasons leading to these types of behaviour are to escape dysfunctional households where violence is likely⁷⁶, peer pressure, macho attitudes and curiosity⁷⁷.

From the protagonists’ (parents and children) point of view, there are rational reasons why they engage in these types of behaviour: enhancing self esteem and emotional security, raising money for themselves and their families. This can be seen in Box 4.2 which summarises some findings in relation to the issue of crime and violence. Similar findings were obtained, with less detail, in the PPAs with unemployed youths and young adults as well as key informant interviews with Youth for the Future and the Conscious Youth Development Programme as well as MHDST departments. Yet while these decisions may be rational in the short-term, their longer term consequences could be to increase their families and their offspring’s suffering in the future. Essentially the children, without the advice and guidance from parents who are absent, or over-occupied with earning money and providing food, or engaged in the

⁷⁴ Action for Children/ University of Huddersfield for DfID/ UNICEF/ UNIFEM, 2009, Perceptions of Attitudes to, and Opinions on Child Sexual Abuse in the Caribbean, Interim Report.

⁷⁵ Fathers were absent in a third of households with children (LSMS); one third of 13-17 years stated that their father was absent from their household as against 14% of cases where the mother was absent (Rosberg M. for MHDST/ UNICEF, 2004, Impact of Crime and Violence on Children and Adolescents, draft report).

⁷⁶ There is a high level of discipline related violence in Belizean households (Rosberg, 2004, op. cit.)

⁷⁷ PPAs for this study and the Montserrat CPA.

same types of antisocial behaviour, adopt the behaviour and survival tactics they observe from their parents, peers and communities⁷⁸.

In the longer term, the risks are that children become trapped in a life of illegal and antisocial behaviour and /or that they adopt the characteristics of their parents – long term unemployment, teenage pregnancy and a predisposition to abuse and violence (the abused become the abusers⁷⁹), all of which lead to the inter-generational transfer of poverty: “*some people are bonded to poverty due to family circumstances. They continue the trend*”⁸⁰. Increasingly research is showing that these linkages exist and become self-perpetuating. And they do not just affect the victims and perpetrators; they result in increased social welfare, health and policing costs, psychological trauma for victims of crime, and a general loss of security and wellbeing for the wider society⁸¹.

Box 4.2. Crime and Violence in Belize: Some Findings

Exposure to Crime and Violence			
Seen dead body:	51%*	Knew gang member/ criminal:	60%/ 57%
Been jailed:	45%	Had been robbed:	45%
Been hurt/ threatened by police:	23%/ 27%	Had committed burglary/ joined gang	7%/ 9%
Seen a gun/ gun crime:	75%/ 56%	Sold drugs:	6%
Hit hard by mother:	69%	Been kidnapped for sex:	9%
Don't trust police/ politicians:	72%/ 70%		
Causes: Lack of Care and Attention / Need for Jobs and Better Education			
<p><i>...the youths out on the street need people who care about them and who try to give them the opportunity to be somebody because out in the streets no one cares about anybody but themselves so the youths want to make something of their lives and they don't have a job so they get frustrated and do crimes to try and get what they want in life although they know that is not the way.</i></p> <p><i>...we need love and attention because the youths need someone to care about them and give them opportunity to get jobs so they can work for their needs in life because a lot of people are suffering.</i></p> <p><i>...it is the parents and the police because we need more police on the streets so that if the youths do anything bad the police are right there to correct them.</i></p> <p><i>I think it begins in the home if the youth have better parents then they would grow up to be better people.</i></p> <p><i>said that some crime and violence start from home because some of the parents do not discipline their children and allow them to have their own way so that when they grow up they act the same way they do when they are at home.</i></p> <p><i>... the educational programmes would be of better use because even if they build a bigger police system who can say the police are doing job instead of messing around with peoples' families.</i></p> <p><i>...cheaper education is needed because at times some people don't have the money to pay tuition so they end up sitting at home.</i></p> <p><i>... by your sweat and blood you will eat so you need to work to get what you want so there needs to be more jobs in any way for the ghetto youths.</i></p>			

* Respondents were around 550 teenagers aged 13 to 17 years from across the country. Percentages are those who answered YES to the question. Gender ratio was around 50:50. Quotes are paraphrases from responses given during FGDs.
Source: Rosberg, 2004, op. cit. and LSMS.

⁷⁸ An excellent non-academic description of the factors leading to these situations is provided in Simon D. and Burns E., 1997, *The Corner*, p. 261-270, Canongate.

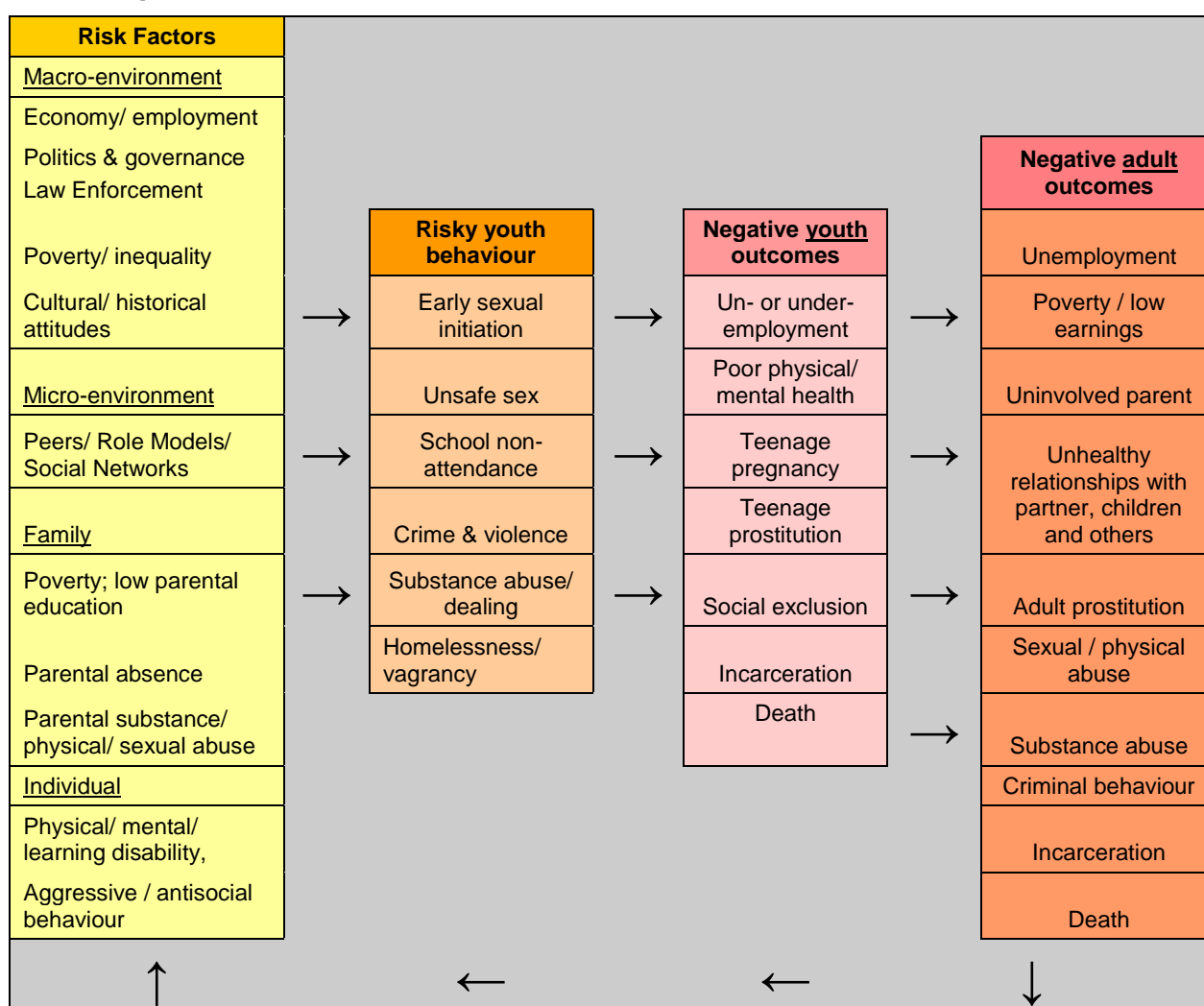
⁷⁹ Over two thirds of respondents who gave an answer said that “*men and women who sexually abuse children have been sexually abused themselves*”. While it does not happen in every case, “*there can be little doubt that abuse generates further abuse*”. Action for Children, op. cit.

⁸⁰ Halcrow for CDB, 2009, *Montserrat Survey of Living Conditions*, initial Draft Report, unpublished.

⁸¹ A detailed assessment of these costs is contained in United Nations Office on Drugs and Crime and the Latin America/ World Bank, 2007, *Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean*, Report No. 37820.

Figure 4.10 provides a diagrammatic summary of these linkages. In essence the Table shows the importance of domestic, social and educational, as well as economic, causes in the creation and perpetuation of poverty. While it can be argued that almost all have as a root cause the lack of adequate employment and income, it would be an oversimplification to consider these to be the unique cause of the cycle shown in the Figure. To do so would deny both that many families, irrespective of their income, manage to avoid this cycle, and that intra-family relationships and other non-economic factors are also critical factors. It would also reduce the impetus for interventions other than those related directly to job creation⁸², which as has been noted, often depends on exogenous factors over which governments have little control.

Figure 4.10. Risk Factors and Outcomes related to Youth Behaviour



Source: Adapted by Consultants from World Bank, 2003, *Caribbean Youth Development, Issues and Policy Directions*, Figure 2.1.

The 2003 report⁸³ also identifies the ‘protective’ factors which enable children to avoid the risk factors shown in the Figure. Crucial among these is the role of families:

⁸² This point is stressed in the previously cited UN/ World Bank report (2007) on youth violence in the Caribbean.

⁸³ The following is quoted directly or paraphrased from World Bank, 2003, op. cit.

“Families are critical in the lives of youth in that they are responsible for the material care, socializing children, and providing psychological supports of solidarity and cooperation, acceptance, comfort and love”.

Positive family attributes identified include: adequate family resources (e.g. time, money, housing), family cohesion, egalitarian gender roles and decision-making, a caring parent, an authoritative parenting style (but without physical disciplining), presence of two biological parents, and smaller family size (which, as our analysis has noted, reduces the risk of income poverty). The report also identifies protective factors at the individual (connectedness to parents and schools; social skills, intelligence and faith) and community (presence of schools, churches, recreational facilities, strong social and community networks, trustworthy law enforcement officers, a clean and safe physical environment) levels. It nevertheless appears incontrovertible that without a secure family environment, the presence of these other factors will be at best a palliative and at worst, as in the case where drug trafficking and gangs operate, an avenue for antisocial and criminal behaviour.

In this context, our analysis of the LSMS has identified little in the way of a firm relationship between family structure and poverty. Indeed, poverty tends to be higher in nuclear and extended family situations than in those with single parents. There are two likely reasons for this. The first is related to household size: single parent households are much more likely to be smaller than those in other categories, and large households tend to be poorer, partly because children are dependents and inevitably increase household expenditure. Secondly, many single parent households exist because the HoH has the income to permit independence and thus can avoid either remaining in unsatisfactory relationships or falling into new ones. Similarly, there is a long-standing tradition of families looking after the children of other family members especially if they have the financial ability to do so and their relatives are less able to cope with their offspring. Nevertheless any family structure grouping will contain sizeable proportions of both poor and not poor households.

However, and it is big ‘however’, this analysis only relates to income poverty. It does not, and cannot, reveal the extent to which the poor households are coping with the double challenge of generating income and providing quality child care, or conversely how not poor households are struggling to cope with single parenthood or an unstable family environment where neglect and/or violence occurs. Large poor households may thus not be dysfunctional and may provide the stable and caring environment needed to both cope with adversity and reduce the likely of risky behaviour by either adults or children whilst smaller not poor households may be prone to the instability that can lead to risky behaviour. In short, the correlation between income poverty and family dysfunction is far from perfect.

The preceding analysis should not therefore be seen as either minimising the potential ‘dangers’ of single parenthood nor, on the other hand, of representing a call for major steps to be taken to prevent and target large households. What it does mean is that there is every reason to raise awareness about the adverse impact that decisions to engage in unprotected sex, increase family size, neglect their children, get involved in criminal and anti-social behaviour can have on their, their family’s and their children’s wellbeing in the future. It is salutary to note that our analysis has shown that 37% of children in Belize are not living with both parents and in almost all these cases, the absent parent is the father⁸⁴. Allied to

⁸⁴ A drop in centre, Kids Company, in London for disaffected children estimated that 90% of their attendees did not have a father figure living at home (<http://www.newstatesman.com/200612180027>). The 2003 World Bank report also stresses this point as does the UWI based author and academic Tony Sewell (“[The Boys are too](#)

the fact that almost half of these children live in poor households, the risks of them becoming engaged in anti-social behaviour and becoming socially excluded is heightened.

4.12.5 Poverty and Politics

The PPAs, as did the 2005 consultations, revealed a strong dissatisfaction with political processes which result in inequitable allocation of project resources⁸⁵, the discontinuance of existing projects, decisions based on party politics, bribery, poor project management and implementation. At the same time, the often extravagant promises made at election time induce a perception that politicians and government can solve all the problems relating to poverty, unemployment, and physical and social infrastructure. In consequence, communities' and individual's expectations are raised and have caused communities and their members to develop a dependency syndrome as they wait for subsidies and favours resulting from political patronage. These promises may be fulfilled for those with affiliations to elected representatives or the funds necessary for bribes to both politicians and government officials. Attempts at community improvement fail as elected leaders become entangled in compromises and communities and their members become divided between themselves and from their neighbours, indolent, helpless, cynical, and distrustful. The importance of elected representatives undermines efforts at local decision-making by Village Councils, while increasing disrespect for authority fuels involvement in crime and other illegal activities. These findings are little different from those of the 2005 NPESAP consultations:

“Across the country, participants expressed high levels of frustration, mistrust, apathy, cynicism and public antipathy towards the political process due to perceived corruption [which] was seen as deeply imbedded in Belize’s political culture and practiced in institutions across the country, including the public sector, statutory bodies and within NGOs.... Lack of confidence in the political system and the commitment of government to deal with poverty reduction was a common theme echoed at all the participatory events”⁸⁶.

All the while self reliance diminishes and intra-community co-operation decreases. At the same time, these manifestations of corrupted political governance erode official programme procedures and reduce the morale of programme implementers. Even more seriously, politicians and government are seen as responsible for almost every ill currently affecting the country from lack of jobs, rising prices, anti-social and criminal behaviour; in short “... it's the Government fault because of the bad economy that we have”⁸⁷. On the other hand, politicians come to believe that unless they offer favours, they are unlikely to be (re-) elected. The extent of these perceptions is illustrated in Box 4.3.

Feminised - More than racism, the absence of father figures is the main problem holding back black kids in school”, Guardian, (<http://www.guardian.co.uk/commentisfree/2010/mar/15/black-boys-too-feminised-fathers>)

⁸⁵ Examples cited during the PPAs are unqualified people being offered jobs, households receiving benefits from programmes although they did not fulfil the eligibility criteria, the unequal allocation of land, granting of scholarships, need for bribes (which many could not pay).

⁸⁶ GoB, 2007, NPES, 2007-2011.

⁸⁷ Focus Group comment with youth cited in Rosberg M., for MHDST/ UNICEF, 2004, Impact of Crime and Violence on Children and Adolescents.

Box 4.3. Poverty and Politics

BELIZEAN POLITICIAN = POVERTY		GOVERNMENT AS THE SOURCE OF POVERTY
Source: NPESAP Consultations, 2005, Belize City.		Source: Rosberg M., op. cit.
<p>B- Betrayal is what we feel</p> <p>E- Educational Deprivation</p> <p>L – Lands sold and misused.</p> <p>I – Independence made no difference.</p> <p>Z – Zeal for life stolen</p> <p>E – Ending our aspirations</p> <p>A – Angry citizens...</p> <p>N – Negative results.</p>	<p>P – Promises for a better future is all we get...</p> <p>O – Over burdening us with taxes</p> <p>L – Lying continuously</p> <p>I – Interfering in every project or undertaking</p> <p>T – Taxes increasing,</p> <p>I – Intimidation of those who try to help</p> <p>C – Controlling our economy, compromising our destiny</p> <p>I – Imposing their will and their way on the populace.</p> <p>A – Building unfavourable alliances, leading to</p> <p>N – Non-development and further poverty, the result of</p> <p>S – Stealing, stealing, stealing our resources.</p>	
		<p><i>“The thrust of the argument from the perspective of these Belizeans was that crime and violence are problems created by decisions being made by government and the rich which diminished the opportunities of the poor especially by denying them adequate education and employment. The resulting frustration among the poor explained the violence directed at spouses and children.”</i></p>

Yet this emphasis on the importance of governance as a major cause of poverty in Belize is surely not justified. As has been argued, the government has relatively little control over the external economic factors that have led to the increase in poverty in recent years while it has none over the hurricanes and storms that ravage the country all too frequently, as is evidenced by the travails facing many other Caribbean countries at present. Moreover, there is little that government can do to counteract the worldwide trend of decreasing family support systems. Nor can government and politicians be held solely responsible for the social problems that lead to risky, anti-social and criminal behaviour by parents and their offspring, problems that are evident throughout most of the Caribbean as well as many developed countries. Many of the responses in Box 4.2 emphasise the importance of the role of parents and it is surely right that they should bear some degree of responsibility for theirs and their children’s actions. To deny this would see individuals as largely dependent agents of governance and education systems with little ability to influence their lives. Not only would this be an extremely pessimistic conclusion but it would contradict the research which shows how individuals are able to triumph over adversity in many situations.

This is just as true in Belize where the great majority of the population is self-reliant. They have to be given that government and NGO assistance is very limited. While basic education, health services and infrastructure achieve wide coverage, this is far from the case with social assistance which has a minimal impact in terms of both coverage and the level of benefit provided.

Yet the politicisation of many development programmes has to be curtailed if the adverse consequences in terms of divisiveness, distrust of politicians, lack of confidence in 'official' processes described in this Chapter is not to lead to increasing apathy and social discontent. Likewise, the management of existing programmes and policies need to be strengthened so communities, households and individuals see that it can begin to regain confidence in its ability to provide effective development activities. But simultaneously the population will need to understand the limits of government control over many of the factors leading to poverty in Belize today.

An example of this final point is provided by the results of a recent study into perceptions of the privatisation of the Belize City water and sanitation services⁸⁸. Poor governance is blamed for the privatisation which resulted in immediate increases in tariffs and disconnections. The root cause of the problem is almost certainly under-investment compounded by inadequate tariffs, probably exacerbated by inefficient management and possible corruption - not privatisation per se. In this sense, the political failure is that it did not get the message across that improvements to water and sanitation were infeasible without increased investment and thus increased tariffs. By not getting this message across, the view that water is a 'free' good becomes more deracinated, thereby further fostering the 'dependency' syndrome described above.

4.12.6 *The Environment and Poverty*

The impact of natural disasters as a cause of poverty in Belize is evident given the destruction of property and crops that they entail. Disaster management and relief operations appear to have worked well for the recent flooding which affected many parts of the country. Estimates of the cost of damages have been made but there is little information on the medium and longer term recovery in the living standards of those affected; although perhaps the very absence of such data indicates a fairly rapid recovery to the pre-disaster situation. It is, however, an issue that could merit enhanced government assistance, particularly, as natural disasters will continue to affect Belize.

Environmental issues received little mention during the PPAs and when they were, the results could be contradictory: stronger enforcement of activities in protected areas were seen as positive by some and negative by others (as it restricted economic activities). Other specific environmental problems mentioned were localised and not widespread: soil degradation due to waterlogging and pollution issues related to papaya cultivation (in the north) and citrus production in Stann Creek. Overall, there is little evidence that environmental issues are a significant cause of poverty in Belize. This would, however, change if there was widespread deforestation or degradation of the reefs as these are prime assets without which the tourism industry would undoubtedly suffer.

Rising sea levels as a result of climate change will affect inhabited coastal areas of the country, most especially Belize City and most severely the occupied swamp areas in the south of the city. Given the continuing uncertainty over the extent and timing of these changes allied to the massive cost of any

⁸⁸ Mustafa D. and Reeder R., 2009, 'People Is All That Is Left to Privatize': Water Supply Privatization, Globalization and Social Justice in Belize City, Belize, International Journal of Urban and Regional Research, Volume 33 Issue 3. The article was concerned with residents' perceptions rather than the underlying causes of the poor water supply situation.

relocation or sea defences, it is difficult to see how GoB can take action in the short and medium terms. At present, there is insufficient evidence to assess other potential climate change risks.

4.12.7 *Immigration and Poverty*

The deleterious impact of continuing immigration, sometimes illegal, was raised in several discussions held during the PPA, especially in relation to reducing job opportunities for Belizean workers and the need to provide education and health care for immigrants and their dependents.

The relationship between immigration and poverty is a complex issue which is not peculiar to Belize; similar debates and concerns are ongoing in several European countries. It is also the subject of a considerable body of research, a review of which is outside the scope of this study.

The LSMS provides little information in this regard apart from the finding that households with foreign born heads account for 20% of all households and have a slightly higher poverty rate than the national average. Work permit data shows around 1200-1500 new work permits but does not include dependents; it also obviously excludes any illegal immigration about which there is no reliable information⁸⁹. About half the migrants come from neighbouring or other Caribbean countries. Permits have been granted for every occupation type from unskilled workers to hotel managers.

Immigrants contribute to the Belize is economy in filling employment opportunities, paying direct and indirect taxes and paying for local goods and services; some will also invest in small enterprises. There is no data by which to judge if they are contributing to a decline in wages - one of the contentious issues.

It is also not possible to assess the extent to which native born Belizean with the required skills have been denied jobs as a result of immigration. Yet the very fact that Belizeans can 'afford' not to take up jobs because they consider the rates are too low, implies that alternative sources of income are available. In export industries such as citrus, competitive wage rates are also essential if its viability is to be maintained.

Overall, it is not possible to assert with any degree of certainty whether or not immigration is contributing to poverty in Belize. What can be said with greater confidence is that, for whatever reason, there are a significant number of jobs across at all occupational levels which are being taken up by immigrants. This implies a degree of failure by education and training programmes to provide new labour market entrants with the technical and non-technical skills needed to access these jobs. Arguably remedying this failing should be the focus of government policy rather than the imposition of stronger immigration controls.

⁸⁹ Information from the current Census should remedy this situation.

4.13 *Implications for the Study*

The analysis presented has important implications for this study:

- Poverty and indigence have risen substantially throughout the country since 2002. Toledo is the only district where there has been a decrease, yet it remains the poorest district in the country.
- Groups particularly susceptible to poverty are large families, children, rural households in general, the Maya. However, after discounting high poverty rates in smaller sub-groups of the population, for virtually every characteristic examined, there are more not poor families and people. The signal exception is large households where the poverty rate attains 60% and these households contain around 70% of the poor population.
- The primary cause of poverty in Belize, as it is in most countries, the poor economic situation which has led to reduced demand for exports, a decline in tourism, and hence household incomes. GoB, in common with governments everywhere, has limited potential to control these factors, particularly in the absence of identified unexploited resources. Nonetheless GoB should make every attempt to create a business friendly environment which can attract domestic and foreign investment as and when the demand arises.
- Where family support is lacking, groups unable to support themselves such as children, those responsible for child care, the elderly, the disabled and those living with HIV/AIDS, will be dependent on financial and in-kind assistance from government and NGOs. Yet, in most respects, this assistance is currently absent.
- Social factors are also an important cause of poverty. These factors include unplanned pregnancies, child neglect, domestic violence, parental absence, early sexual initiation; all are often but by no means always linked to income poverty and lack of job opportunities. The frequent result in dysfunctional households and family that leave the caring parent (usually the mother) with insufficient financial resources to cater for themselves and their children and at risk from emotional and physical abuse. In turn, this can lead to depression, neglect, non school attendance, and risky and criminal behaviour, which in turn perpetuate a cycle of inter-generational and chronic poverty.
- The relationship between families, single parent households, children and poverty is however varied and complex. Income plays a large part and means that poverty rates tend to be lower if only one parent is present and households are smaller; poverty in larger households, irrespective of their composition, is much higher. But this does not take into account the extent to which these families are or are not coping with their circumstances. It may be harder for a single parent with adequate income to provide the attention needed for her children than in a poorer large household with parents and other relatives present.
- Measures are urgently needed to reduce unplanned pregnancies, improve parenting and increase fathers' contributions, financial and emotional, to their children's upbringing and hence reduce the risk factors associated with the cycle of poverty linked to families and children. These can be both preventive (e.g. reducing unplanned pregnancies through a renewed effort on family planning and contraception usage and counselling⁹⁰, providing educational assistance, drug and

⁹⁰ These measures will also have the added benefit of linking to the measures to combat the spread of HIV/AIDS and other sexually transmitted infections.

crime awareness campaigns) and remedial (e.g. supporting new parents, training for drop outs and unemployed youth).

- The negative impact of political interference in development programmes was mentioned repeatedly. This has led to an increasing dependence on politicians to solve problems rather than rely on formal government channels or self help, bias in allocating projects to communities and selecting programme beneficiaries, and corruption. Priorities for action in this regard are depoliticising the development process by making eligibility and allocation criteria transparent and adhering to these, and being more realistic about what government can, and cannot do.

PART B. Institutional Analysis and Special Studies

5 Institutional Analysis – Economic Sectors

5.1 *General*

This Chapter examines the role of the key organizations working in the economic sectors, including infrastructure and land⁹¹, which directly or indirectly have an impact on poverty reduction. The Chapter is based on information gained from interviews held with government and non-government agencies, reviews of relevant documents and a series of round tables executed in February 2009; a number of the interviews were conducted by NAT members. The objectives were, in all cases:

- to identify the principal policies, programmes and activities of these organisations and in particular how they impact on the poor;
- to assess the scope and effectiveness of current interventions; and hence
- to identify potential recommendations as to how existing activities can be improved and new interventions introduced.

Given the multiplicity of organisations involved, a complete review is not feasible. This Chapter therefore concentrates on the following:

- The National Poverty Elimination Action Plan (NPESAP) ⁹² which provides the overall context for the country's economic and social development (section 5.2)
- The agriculture sector (section 5.3)
- Trade and finance (section 5.4).
- Tourism (section 5.5).
- NGOs involved in income-generating/ community development projects. (section 5.6)
- Institutions involved with land allocations, local infrastructure and housing (sections 5.7-5.9).
- Study Implications are summarised in section 5.10.

5.2 *The National Poverty Elimination Strategy and Action Plan (NPESAP), 2009-2013*

5.2.1 *Background*

GoB first prepared a National Poverty Elimination Strategy (NPES) in 1997. Following the 2002 CPA, a revised NPES was prepared accompanied by an Action Plan with a currency from 2003-2008. A comprehensive evaluation of the NPES, involving extensive public consultations and an evaluation of the success of several major programmes, was undertaken in 2006. As a result of this evaluation, a revised NPES and NPEAP for the period 2007-2011 was prepared, published in early 2007 and adopted.

⁹¹ Both of which are necessary components for economic development. Housing is also included owing to the interlinkages between issues related to this sector with those of infrastructure and land.

⁹² NPESAP is a combination of 2 separate acronyms: NPES (National Poverty Elimination Strategy) and NPEAP (National Poverty Elimination Action Plan). These were separate documents in the 2007-2011 version but have been combined in the current, 2009-2013 revision.

Following the change of government in 2008, a new but less extensive round of public consultations was held and a revised NPESAP 2009-2013 has been prepared. Although not formally approved, this document can be taken as representing GoB's current principal over-arching policy document for Belize's economic and social development.

5.2.2 *The NPESAP, 2009-2013*

The NPESAP is a detailed document which sets out the main activities, targets, expected outcomes, identified funding sources, monitoring indicators and key implementing agencies for each of the strategies shown in the Table 5.1. It is comprehensive in scope and ambitious in its aims – essentially putting Belize on course to eradicate poverty and achieve a sustainable path of economic and social development in the foreseeable future.

The NPESAP is based on five mutually sustaining strategic thrusts which incorporate both the national MDGs and the priorities identified during the public consultation exercise. These are summarised in Table 5.1 along with the more specific (sub-) strategies that will guide their implementation. These sub-strategies are in turn associated with a number of activities which will be the focus of the actions needed to achieve their implementation⁹³.

By and large, the strategic thrusts, strategies and activities of NPESAP 2009-2013 are the same as those contained in the 2007-2011 version apart from some minor changes; some of the activities are more detailed and some are less. Those that are more detailed mainly relate to health and education. In health, the clear emphasis is on improving all aspects of mother and child health along with enhancing nutrition for the under 3s. For education, improvements are sought in terms of: increased secondary school enrolment including through conditional financial incentives; enhanced technical and vocational education; increased early childhood education; and better monitoring of educational standards in schools. Other new additions are: achieving a balance in taxation policies between fiscal revenue and growth stimulus objectives; paying increased attention to sanitation; and skills training and access to credit for single parents.

⁹³ For details see NPESAP, 2009-2013.

Table 5.1. NPESAP Strategic Thrusts and Strategies

Policy Pillar	Strategies
1. Economic Policies for Enabled Growth	<ul style="list-style-type: none"> - Pursue Monetary and Fiscal Reform and Debt Management Policies - Promote Private Sector Investment and Employment - Provide better access to financial services for poor people and micro-enterprise. - Support cohesion between the demand and supply of skilled labour.
2. Transparency and Accountability for Good Governance	<ul style="list-style-type: none"> - Improve governance structures/institutions and practices. - Increase efficiency and accountability of all public sector agencies, officials and political representatives. - Strengthen the decision-making process through effective consultation mechanisms at the national and local levels. - Support the National Gender Policy. - <u>Improve fiscal planning and management*</u> - Improve land and natural resource management framework and practices for sustainability.
3. Investment for Human Capital Development	<ul style="list-style-type: none"> - Improve coverage, efficiency and equity in Health and Education. - Collaborate with International Partners and NGOs to effectively prevent and treat HIV/AIDS.
4. Infrastructure for Growth and Sustainability	<ul style="list-style-type: none"> - Target poor, isolated communities to improve access to larger population centers - Improve access of rural communities and under-resourced urban pockets to potable water and to adequate sanitation facilities - Support access to affordable housing by low income families. - Improve education and health facilities through expanded and upgraded infrastructure. - Continue expansion of public utilities and information technology to rural sectors - Promote alternative energy in rural communities.
5. Strategic Support for Equity and Social Development	<ul style="list-style-type: none"> - Develop and implement community based plans for the specific needs of the poorest rural and urban areas. - Develop and pursue a National Gender Policy. - Enhance and develop policies and programmes for improved the legal, economic and social protection of groups vulnerable to poverty. - Enhance mechanisms for public private partnership in social protection and social dialogue.

** Not in previous NPEAP.
Source: NPESAP, 2009-2013.

A major objective of the NPESAP is to continue to address the challenges which had hampered the implementation of previous poverty elimination strategies and actions plans. These are summarised in Box 5.1. Furthermore, the NPESAP identifies several risk factors that could jeopardise its implementation:

- Failure to achieve and maintain national consensus on the NPESAP goals: consultation fatigue resulting from perceived lack of results and distrust of politicians.
- Inadequate implementation capacity: lack of technical and management resources exacerbated by political interference.
- Inadequate external resources: Belize has been dependent on foreign sources for much of its capital funding for many years. Given that NPESAP needs substantial funding for its

implementation⁹⁴, the mobilisation of additional external resources will be essential to NPESAP implementation. Financing will also be constrained by the country's high debt burden.

- Impact of global economic factors: already evident in the current recession. Aside from reducing demand for Belize's products, this reduces government revenues and hence ability to finance NPESAP recommendations.
- Risk of impact of natural disasters: largely unavoidable.

Taken together financing and implementation issues pose a substantial threat to the implementation of NPESAP. The implication is that clear priorities will need to be set and emphasis given to improving implementation and other measures designed to improve programme effectiveness.

Box 5.1: Challenges in the Implementation of Poverty Reduction Programmes in Belize

Bottlenecks (fiscal constraints) continue to slow the rate at which some assessments and activities can be carried out within implementing agencies and with target populations. Political interference can distort the use of project funds.

Access to opportunities by members of the target populations is not yet showing signs of equalization, neither by gender, age, group, locality (urban/rural; District) or ethnicity;

Land tenure obstacles (certainly in Toledo) are not being overcome so that the target population increases its ability to generate wealth. An exception to this obstacle is the progress made in establishing a relevant and efficient cadastral system, although more rational land use cannot yet be said to be evident;

Competition remains high and lateral coordination remains low both across service delivery organizations and across the members of the target population. Project implementers have informally pursued coordination measures and some may exist at community level as well. However, deliberate and rational systems intent on achieving measurable initiatives cannot be said to be underway. One can point to instances where the action of some implementers undermines the impact of others. Deliberate measures to intensify the impact of individual action through concerted action of members of the target population cannot yet be said to be in progress. Indeed, one can point to many examples of the damage done to community members through the action of other community members;

Information-based project design and strategic planning, implementation, tracking, midcourse correction and impact measurement of actions carried out by implementers in conjunction with members of target populations cannot be said to be underway;

Enforcement of Legislation and Standards which depends on approvals and on sustainable enforcement financing cannot yet be said to be on-stream in most cases;

Relevant and effective gender-based initiatives have yet to make a measurable impact on the target population, the political system or the economy;

Grassroots productivity, life skills and entrepreneurship have not been measurably improved;

Grassroots advocacy based on increased control of the equity of Belize which are directed towards political and financial processes and directed at environmental and cultural enhancement are not yet detectable.

From *Report Outcome Evaluation of Existing Measures of Existing Poverty Reduction Measures (NHDAC, 2005b)*

Source: Government of Belize, 2007, NPEAP, 2007-2011.

⁹⁴ As the document notes: "most of the macro-level interventions require significant budgetary allocations".

5.3 *The Agriculture Sector*

5.3.1 *Ministry of Agriculture*

The Ministry of Agriculture (MoAF) has the following strategic objectives:

- *“Create an enabling and favourable environment to increase the efficiency, productivity, profitability and competitiveness of the agriculture, fisheries and cooperative sectors.*
- *Accelerate the diversification in production, processing and exports. Improve and conserve the natural and productive resource base to ensure long-term sustainable productivity and viability.*
- *Improve access to productive resources and services and create economic opportunities for small/young farmers, women and indigenous people, particularly in poor, marginal areas.*
- *Strengthen the institutional capacities to provide effective support in marketing and trade, research and extension, as well as relevant education and training. Increasing food production, enhance food security and improve the nutritional status of the population as well as increasing farm incomes.*
- *Strengthen inter-sectoral linkages, in particular with the social sectors of health and education, as well as with the strategy and action plan for poverty eradication.”⁹⁵*

The Department of Agriculture is the department primarily responsible for the development of the Agriculture Sector. It currently has four main programmes: Livestock Development, Crop Development, Fruit Tree and Marketing, Agro-processing and Extension Services. The services provided by these programmes include: farm visits, livestock breeding services, fruit tree and hard wood seedlings, market identification and market studies, development of new value-added products, training for farmers and research and development. The Department works extensively with both international and national partners.

5.3.2 *The Belize Rural Development Project (BRDP)*

Project Description

BRDP is an integrated rural development project, primarily funded by the EU⁹⁶, which started in 2006. It has been designed to overcome the shortcomings of the earlier Community-Initiated Agriculture and Rural Development (CARD) project. The aim of BRDP is to:

“empower the rural poor and to invest with them to create wealth and to eliminate poverty. Accordingly, the game plan is to work with the poor rural people to increase their income, employment and profits by investing in a viable, profitable and sustainable enterprise or activity”⁹⁷.

Projects are identified locally by potential beneficiaries. Together with a 25% local contribution to project costs, this is aimed at ensuring that BRDP activities are locally driven whilst providing beneficiaries with greater certainty and ownership over their efforts.

Overall responsibility for the implementation of BRDP lies with the National Authorizing Officer (NAO) for the European Development Fund (EDF), and the Ministry of Economic Development is the

⁹⁵ http://www.agriculture.gov.Bz/About_Us.html.

⁹⁶ Planned expenditure for 2008 was Euro 8 million.

⁹⁷ BRDP website <http://www.brdp.org/>

Contracting Authority. A Project Steering Committee (PSC) has been set up to provide guidance and policy direction to the programme and is chaired by the MED. BRDP is implemented by an independent Project Coordination & Management Unit (PMU), which assumes an administrative and financial role and co-ordinates the implementation of the programme at community, district and national levels with the various line Ministries, private and NGO sectors and donor agencies. The PMU also coordinates all the activities carried out by the partner organizations, especially the District Development Committees (DDCs) and service providers⁹⁸.

The DDC is an institutional innovation designed to enable poor rural communities with hitherto little micro-enterprise experience to efficiently plan and design their own entrepreneurial activities. The DDCs provide relevant entrepreneurial ideas, technical assistance and mentoring to villages. The DDC is comprised of 12 members with representatives from GoB, DAVCO and credit unions.

The type of assistance offered by BRDP can be categorised under four headings: Marketing support; small infrastructure Projects; Micro-enterprise; Policy and Institutional Strengthening. The programmes that exist are listed in Table 5.2.

Table 5.2. BRDP Activities

Marketing Support	Small Infrastructure
Marketing strategy & info systems Market access Marketing depots Storage-packaging units Transportation Export development & financing	Processing & conservation facilities Improvement of feeder roads Energy access & Community markets Sanitation & waste water treatment Health & social infrastructure Education & training Social services & environment recovery
Small, Medium & Micro-enterprise Development	
Project feasibility & development plan Training in leadership & management of organizations, cooperatives, group formation, business planning & service delivery Investment to develop and operate rural enterprises Policy & Institutional Strengthening Favourable policies, laws & regulations Productive sector organizations DDCs and NAVCO for enterprise development CBOs, CSOs, women & youth groups	

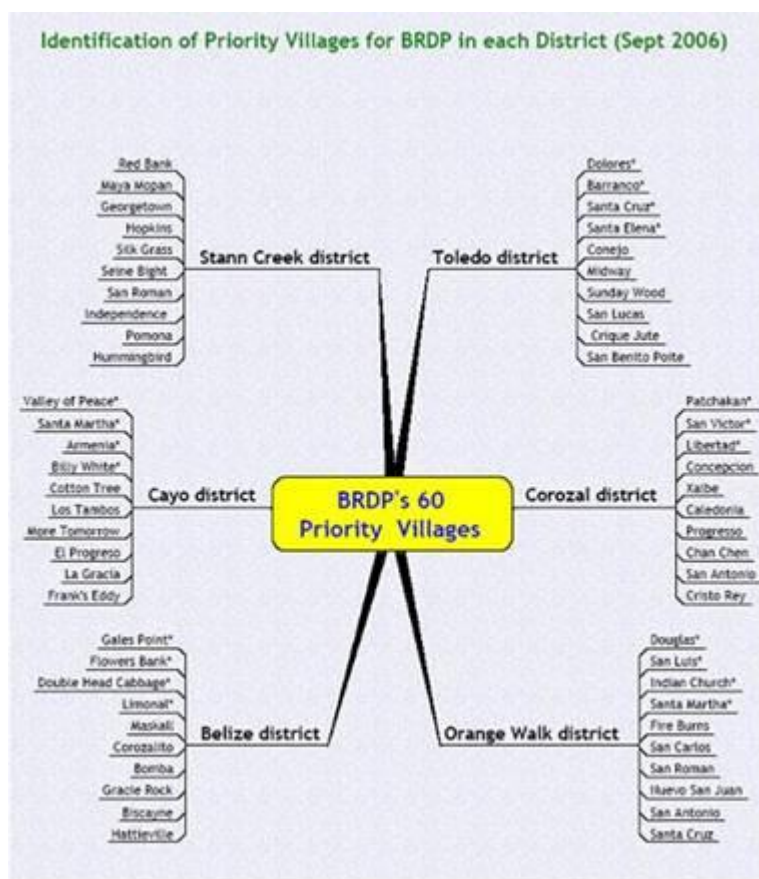
Identifying where projects are implemented, BRDP has devised a Priority Village schedule, based on a needs surveys (see Figure 5.1). Six criteria are used to identify villages which will benefit from funding allocations:

1. A fixed % of households must be living below the national poverty line of BZ\$680
2. Projects must be located in rural areas and registered with NAVCO
3. Applicants must be proposing income generating projects

⁹⁸ Ministry of Agriculture, 2008, *Annual Report, 2007*.
<http://www.agriculture.gov.Bz/PDF/Annual%20Report%202007.pdf>

4. Applicants must devise projects which are profitable
5. Projects must be environmentally sustainable (in some cases an EIA may be required)
6. Beneficiaries must provide 25% payment upfront. Beneficiaries must also provide manual labour if necessary.

Figure 5.1. BRDP Priority Villages for Projects



Achievements by late 2007

To date, BRDP has largely been providing micro-credit support and grants to communities. Micro-credit has increasingly been seen as providing workable and cost-effective solutions to the poor in developing countries. BRDP has used this axiom to support micro-credit systems as one of its core strategies. Each pilot phase of a micro grant programme has a maximum grant of BZ\$1,000. An average of BZ\$800 is lent for each micro grant. This BRDP strategy works closely with female headed households as BRDP recognise that women are often more socially marginalized, have higher workloads, suffer from worse social-economic conditions, and experience marginalization in decision making; historically they have also proved to be more reliable beneficiaries of micro-credit programmes. One of the successes BRDP microcredit programme has been to limit the size of lending to households to no more than BZ\$1500. This has enabled households to keep within a manageable loan allowing them to pay this off gradually.

Specifically, BRDP has invested approximately B\$910,000 on 43 projects involving the direct participation of 575 family beneficiaries residing in 51 different villages across the country (a quarter of the total); just over half the beneficiaries are female. Around half the projects are agricultural (i.e. crop,

livestock, beekeeping) while the rest include internet cafes, arts and crafts, garment making, and tourism. Approximately BZ\$ 220,000 has been provided in micro-grants benefiting some 269 families from 100 villages, around BZ\$800 per loan. These grants were mainly targeted at women-headed households and supported a wide range of income generating activities such as food preparation and vending, garment making, agricultural production, arts and crafts, cosmetology, and other rural services.

BRDP has also funded small and large community projects:

- Small Group Projects have a limit of BZ\$24,000- BZ\$25,000. Applicants for grants fill a short questionnaire which is submitted to the District Development Committee (DDC). Alternatively applicants submit their form to the Project Management Unit of BRDP in Belmopan if the proposed project scope is regional.
- Large group projects have a limit of BZ\$200k. Larger grants are provided to NGOs to deliver projects.

The largest project is the Cayo Farmers Market with a total investment of B\$500,000. Its overall objective is to upgrade the existing facility for the benefit of customers and vendors through the construction of 15 permanent stalls, an area for temporary stalls, and a bathroom module.

Institutional strengthening: BRDP has engaged for its operations 22 individual service providers: 12 institutions with major responsibilities that relate to rural development (i.e. MAF, Rural Development, Department of Cooperatives, BEST, 3 credit unions, Plenty-Belize, University of Belize, YWCA, Belize Audubon Society, Toledo Development Corporation, and the Toledo Mayan Women Council). Skills have been strengthened for project management (e.g. project formulation and evaluation, project implementation, group management), in the technical areas of production and management (food safety, garment making, book keeping, marketing and promotion), and in the management of EU administrative and financial procedures.

Emerging Issues

Previous attempts to establish micro-credit lending, such as CARD was unsuccessful. This was largely due to loans being issued without any cap placed on the amount lent, resulting in households increasing their debt levels. Problems also arose from lenders not regularly monitoring repayment levels at the village and household level which allowed debt to spiral, leaving the funds to become insolvent. As a consequence, it was initially difficult to get buy-in from villages and other institutions. BRDP has worked against this backdrop but has been making inroads. The difficulties lie in giving assurances to other institutions that the BRDP methodology works. This is important if BRDP wants to advance its programme of lending and move towards financial self sufficiency, than rely on donor funding.

EU evaluations confirm that BRDP's management of projects operates efficiently while another evaluation⁹⁹ came to the following conclusions:

- “...BRDP's Small Group Project initiative is contributing to employment generation.”

⁹⁹ Rosberg M/ Galen University Applied Research Department., 2008, BRDP: Initial Poverty Reduction Indicators and Data from Stakeholders.

- “... BRDP is effectively reaching low income families through its Small Group Project and Micro-Grant initiatives.”
- “The first data at least show that money is being reinvested in them by their owners (recipients of micro-credit and grants). This suggests that BRDP grants are being used efficiently and that they are large enough to permit expansion of initiatives”.
- “...just over half of BRDP’s project and Micro-Grant initiatives are successfully targeted at women as desired”.

The report notes that these can only be called preliminary conclusions as the project had only just started and that it was based on a small sample of sub-projects. Nevertheless, the conclusions are encouraging although the overall impact will be limited given that the total number of beneficiaries was under 500 at time of writing.

An increase in funding from the EU to BRDP has allowed the organisation to scale up the capital distributed to communities. One of the restrictions for BRDP in handling smaller grants is the administrative time and cost of working on a micro level. By up-scaling the project, communities can afford to turn their micro-enterprise into a profitable operation.

5.3.3 *The Sugar Industry*

Belize Sugar Industry (BSI)¹⁰⁰

BSI is primarily involved in milling sugarcane and in the manufacture of sugar; this industry employs 325 male employees. It anticipates growth in employment (skilled work force) by the end of 2009 due to expansion of the co-generation plant. BSI invests in social and community projects such as scholarship provision or assistance to schools; financial assistance for infrastructure improvements in villages and plantation projects. It receives good support from the Government of Belize via tariff waivers.

Principal institutional constraints are finance and government intervention, e.g. the Chairman should not be a politician. As such BSI is struggling with production of good quality and quantity of cane, due to inefficient and outdated agricultural and management practices. Natural disaster was part of the reason (flooding) for poor production in 2009. BSI expects to receive some Fair Trade Funding that is expected to improve quality of sugar produced. Future aspiration of the organisation is to increase cane production.

Belize Cane Farmer’s Association (BCFA)

BCFA represents the interests of cane farmers. It has an active (i.e. who are actually producing cane) membership of 6,000 people. Activities include:

- Agriculture support (pesticides/ herbicide);
- Scholarship to farmers’ children
- Social assistance to schools
- Death grants to members relatives.

¹⁰⁰ Other organizations undertake similar functions for other farmer’s groups, e.g. bananas, citrus, poultry.

The first two of the above are carried out using the Fair Trade Fund but its major sources of funding are commercial banks, credit unions and by selling sugar. Financial constraints and government red tape (government interference) are major constraints to growth as is the poor standard of many feeder roads.

BCFA has improved their administrative capacity in the last two years. Given the opportunity they would institutionalise financial institutions and develop policies for decision making. They would like to see the government do something with regards to reducing costs and tariffs on inputs, e.g. herbicides, pesticides and fertilizer.

Comment

Assistance to the sugar industry is available, via GoB, from the EU's Sugar Adaptation Strategy Project which has four components: R and D, improving competitiveness through increase efficiency, road improvements, irrigation and drainage. However disbursement of these funds was delayed by a standoff between BSI and BCFA over the implementation of measures designed to improved production quality. It is understood that these issues have now been resolved.

5.3.4 Belize Agricultural Health Authority (BAHA)

A statutory body linked to the Ministry of Agriculture, BAHA aims to provide professional services in Food Safety, Quarantine, Plant and Animal Health. BAHA is governed by a board of Directors with representation from both the Government and the Private Sector. It is supported with funds from international organisations and subsidy from the Government. Typically BAHA provides information exchange, food safety advisory, regulatory advice and capacity building on food safety, regulation, animal health, veterinary drugs and so on. BAHA operates and manages several laboratories providing service for a fee. Key institutional constraint relates to staff skills and training i.e., lack of competent people to provide appropriate advisory, particularly at laboratories; and infrastructure issues such as laboratory equipment.

5.3.5 The Agriculture Round Table

A Round Table was held in February 2009 with a number of stakeholders involved in the agricultural sector to discuss issues and constraints on their operations and whether they could contribute more to employment creation and hence poverty reduction. The results of these discussions are summarised in Table 5.3; an individual interview was subsequently held with representatives of the Citrus Growers Association. A second Round Table was held in September 2009 to discuss potential recommendations for this sector. The results of this Round Table are reported in Chapter 10.

Table 5.3. Agriculture – Constraints and Opportunities

Organisations represented at the Agriculture Round Table*		
BRDP BLPA NAVCO MED	Belize Poultry Assn. BAS Group – Flint Wagner Banana Growers Assn. Ministry of Agriculture	Mena Group – Fresh Catch Spanish Lookout (Mennonites) Dept. of Environment Southern Environmental Assn.
Type	Constraints	Opportunities
Financial/ Taxation	<p>High interest rates – 18% for small farmers, 14% for largest producers</p> <p>Collateral level too high for small farmers</p> <p>Access to banking system too difficult for small farmers</p> <p>Banana and citrus not allowed to borrow money off-shore and thus have no alternative to high local finance</p> <p><u>Taxation</u></p> <p>Taxes too high on agricultural inputs (feed, seed, barbed wire)</p> <p>Banana producers want duty free import of fuel for irrigation pumps</p> <p>Land tax unfair – based on distance from town; some farms close to towns pay urban rates.</p>	<p>Loans should be structured towards production cycles of different commodities (e.g. peas can be harvested and loan repaid in three months; for cattle, it takes 3 or 4 years to get cows to market)</p> <p>Banks should train some of their loan staff to understand farmer s' needs</p> <p>Mexico's Banco Fomento Rurale offers a model programme involving business plans, loans, weekly allowances, guaranteed sales to get farmers started; Banco markets the produce themselves locally</p> <p>Should switch from taxes on inputs to taxes on output.</p>
Markets	<p>Very small domestic market of 300,000; already saturated</p> <p>Marketing boards were disbanded several years ago</p> <p>Storage – no facilities for crop storage, thus much is spoilt</p> <p>Expensive to ship to CARICOM destinations despite market access and demand.</p>	<p>Guatemala and Mexico best market potential because of highway access, low transport cost.</p> <p>10-15% of production goes to local market, remainder exported through informal channels (into Guatemala or Mexico via road).</p> <p>Need assured markets to get farmers to invest more – good pasture land available to support 100,000 head of cattle (vs. 10,000 now).</p> <p>Farmers need up to date information on prices – Beltrade is setting up an internet marketing info system but many farmers don't have access to internet. – how about radio/TV or cell phone?</p> <p>Opportunities to process food and export or serve local market – no canneries in Belize – must increase value added before export or to replace imports.</p> <p>School feeding programme could use locally produced items.</p> <p>Must develop enforceable product standards in order to export.</p>
Education and Training	<p><u>Lack of farmer training:</u> College of Agriculture grads are too academic, no practical training</p> <p>Some immigrant farmers are also importing their old techniques including slash and burn and steep slope planting</p> <p>Small farmers often grow what they want or are used to but this may be produce that the market wants or for which the land is suitable – thus, failure.</p>	<p>Develop programme for local knowledgeable farmers to assist neighbours</p> <p>Improve training of farmers at the Central Farm</p> <p>Provide information to farmers to tell them that these techniques are not acceptable.</p> <p>Internet access in villages needed</p>
Costs	<p>High cost of utilities (electricity, water) and high port charges harm exporters</p>	<p>Availability of corp insurance MED now assessing insurance options</p>
General		<p>Search for sustainable agriculture, small-scale self-sufficiency (small is beautiful) – portable sawmill, well drill, block making, etc</p>

5.4 Trade and Finance

5.4.1 Belize Business Bureau (BBB)

BBB was established by an Act of the Parliament, and deals with matters of business or entrepreneur interest to its members for over 15 years. BBB runs the following programmes:

- Youth Business Trust- promotes pilot entrepreneurship projects that support young people who would want to start a business, including training;
- Junior Achievement Project- implemented nationally, from pre-school to high school, it encouraged entrepreneurship;
- Annual BelPro Comex- an expo to showcase Belizean products and services

Proposed projects include:

- Setting up an internet portal to trade Belizean products (like Amazon);
- Start a development finance bank to provide low income finance to people starting a business; and
- Produce promotional print material to showcase Belizean products & services.

BBB does not receive financial support from the government but relies on grants, members' fees and BelPro Comex profits. As these are not consistent sources, BBB is often under financial strain. It also receives sponsorship for the Annual BelPro Comex (Expo). BBB would appreciate assistance from government in identifying funds for the development bank project.

5.4.2 The Finance and Trade Round Table

A Round Table was held in February 2009 with a number of stakeholders involved in the trade and finance sectors to discuss issues and constraints on their operations and whether they could contribute more to employment creation and hence poverty reduction. Table 5.4 lists those attending along with the principal opportunities and constraints identified.

5.4.3 Corozal Free Zone (CFZ)

CFZ is a free zone located at the Mexican border in the north of the country. CFZ is governed by a Board of Directors and administered by the Ministry of Finance. Established in 1997 with 10 stores, the campus now has around 300 and employs around 2,500 people. 69 people are employed directly as support staff to manage the campus.

In terms of economic contribution, CFZ has provided opportunity for employment generation in Corozal and Orange Walk Districts, particularly for single mothers. Socially CFZ supports schools, health facilities and sports activities. They also support Police Department in order to maintain a presence in the zone.

Key issues are the need to improve infrastructure, especially water supply (there is no potable water supply which concerns the Mexican health authorities), health facilities and lack of a fire station. They also seek land for further expansion to accommodate more stores and equipment assembly enterprises (investors from Puebla are interested in this). CFZ receives no direct government support but relies on

members' and entry fees to finance its operations. It does not, however, have the funds to invest in the necessary infrastructure and suggests that government should contribute in this regard.

Table 5.4: Trade and Finance – Constraints and Opportunities

Organisations represented at the Finance/ Trade Round Table		
MED Central Bank Customs Dept. ScotiaBank	Directorate of Foreign Trade Development Finance Corp. Belize Chamber of Commerce and Industry Beltrade	Social Security Board BEST / Peace Corps Belize Credit Union League Vista Real Estate
Type	Constraints	Opportunities
Taxation/ Transaction Costs/ Governance	<p><u>Land Registration/Titling:</u> May take 6 months to get title transferred, which hurts foreign investment If person buys property, cannot get financing until title transferred and thus many deals falling apart due to length of time needed Problems are especially acute in “declared areas” High level of legal fees to transfer title (3% of price to lawyer) plus other closing fees and taxes.</p> <p><u>Red Tape</u> Large number of permits needed to import and export goods. Corruption has become endemic– especially at the operational level and at top echelons Lack of enforcement of tax collection – tax avoidance common.</p>	Need comprehensive approach to land tenure, title, taxes and valuation – new legislation required but requires public input
Markets	<p>Trade decisions being made without information/data or good consultation between government and private sector. Extremely high port charges make it more feasible to truck product – bad news for trade with CARICOM. Migrant workers tend to have lower positive impact on economy because of sending remittances home</p>	
Problems faced by small farmers	<p>Marketing (access) Land tenure Understanding of how finance/banking system works Product consistency and standards.</p>	<ul style="list-style-type: none"> - ScotiaBank offering simplified application process and loan acceptance criteria - Self-employed are riskiest borrowers and get into the most difficulty in repaying loans; assistance is needed for small business/farmers as to how to manage own finances DFC offering 6%-8% loans to small business/farmers and trying to make process of applying easier; also terms including grace period (to account for crop harvests) Suggest four levels of financing: <ul style="list-style-type: none"> - Micro finance (e.g. BEST) for “non-bankables”. BEST working well with micro financing - Development finance (e.g. DFC) - Small business/farmer (credit unions) - Larger businesses/farmers (commercial banks) - Increase training for loan officers to understand particular needs of small farmers - Need public education programme on how to use banks, get loans, open savings accounts, especially targeted at rural poor.

5.5 Tourism

A Round Table was held in February 2009 with tourism sector stakeholders including representatives of the Ministry of Tourism, the Belize Tourism Board and the Belize Tourism Industry Association. Interviews were also held with the Belize Tourism Board, the Mayor of San Pedro and tourists. The results are summarized in Table 5.5.

Table 5.5. Tourism – Constraints and Opportunities

Type	Constraints	Opportunities
Finance and Markets	High cost of travel within the country, especially budget and mid-range accommodations High cost compared with other Central American countries.	Potential for micro-credit to support small tourist support activities. Belize has a near unique mix of marine, forest and cultural attractions for tourists. Presently only a small percentage of tourist spending is for food or goods grown/made in Belize Promote Belize to expatriate Belizeans living in the US and UK The widespread use of English is considered a major attraction and should be promoted More cultural activities are needed.
Education and Training	Not mentioned but implicitly demand for foreign labour reflects on low potential	Expand training programmes for guides. Need vocational training programmes at high school and college levels to develop local tourism management.
Other	Poor housing conditions for migrant workforce (San Pedro): housing shortage; slums and barracks-style accommodation; no wastewater treatment or drainage	

5.6 NGOs working in Rural and Community Development

5.6.1 National Association of Village Councils (NAVCO)

NAVCO is the umbrella organization for all (around 200) village councils in Belize. Its primary mission is to represent the Village Councils of Belize, committed to ensuring the rights and responsibilities of Village Councils through relevant advocacy and services that will enable them to fulfill their mandate. NAVCO coordinates closely with the Ministry of Rural Development and is like an arm of this Ministry but it is governed by an Act and is run by a board of twelve who makes policies which is carried out by the secretariat. NAVCO works through District Associations of Village Councils (DAVCOs) established in each district. NAVCO's budget in 2008 was BZ\$400,000 of which \$150,000.00 came from GoB and the remainder from other funding organizations. The major thrusts of its current operations are:

1. Up-scaling Local Governance Capacities at all levels of the Village Council structure through practical education, communication, and research mechanisms.
2. Capacity Building of Village Leaders through internship and other innovative programmes to enable village leaders to meet the expectations of their constituents.
3. Education and Communications for Rural Development: establish communication links, including e-mail addresses and post box arrangements for Village Councils.

4. Construction of permanent DAVCO Secretariats in each district in order to allow Village Councils' access to support services on a long term, stable, and reliable basis.
5. Establishing DAVCO as Business and Resource Centers: negotiate with service providers for reliable postal service, internet, financial services, social security, product development and marketing information to VCs and create resource centres for administrative support, tax collection, training, information and research, etc.
6. Institutional Strengthening: continued pursuit of resources to enable and promote transparency, accountability, effectiveness, and efficiency of NAVCO and DAVCOs.
7. Data Management and Dissemination: enhanced data collection, use, and dissemination to and from the local governance structure.

Current programmes of particular relevance are:

- Computer Literacy Programme: to equip members to use information technology to access information, and increase the communication and connectivity between the districts and NAVCO headquarters in Belmopan through basic computing skills. Funded by SIF - BZ\$20,000; 72 households benefitted.
- Advocacy and Leadership: training course targeted at village leaders to develop leadership skills, methods and approaches to advocacy, principles of good governance, understand the dynamics of communities and how to better plan their development to better meet the needs of residents, around 350 people attended the courses.
- Develop a closer relationship through meetings, retreats, etc. to understand and appreciate the work that NAVCO and other organizations do to improve the lives of the rural population.
- Workshops in preparation of Community Development Plans to identify priority actions targeted at the poor and vulnerable; but effectiveness compromised by funding constraints.

The major constraint on their current operations is the lack of staff (due to lack of funding) which both limits the services they can provide and hampers efficient financial control and monitoring activities. While they co-ordinate well with the Ministry of Rural Development, there is less interaction with other agencies, e.g. funders and NGOs (some of whose programmes they believe are not addressing the root problem). In consequence, NAVCO's current priorities are:

- Additional staff to properly manage the office so as offer more and better services to the villages.
- More workshops on preparing community development plans.
- New programmes focussing on roles and responsibilities of Village Councils to enable them to be more self-sufficient, to be more active once elected, increase their autonomy and receive greater respect from elected Government officials to respect village councils and their roles as set out in the Village Council Act.

5.6.2 *Protected Areas Conservation Trust (PACT)*

The trust is responsible for providing grants and capacity building support to organisations that work in protected areas and in capacity building of community groups working for this theme. They also fund other projects such as solid waste management, training for apiculture; support to establish farmers market, and educational scholarships.

PACT is funded by a percentage cut from conservation and cruise ship fees, donations and interest on investments. As the tourism related fees are the main generator, income fluctuates with the trends in this industry meaning that as a result of the recent downturn, PACT's finances are under strain.

In addition to the financial issue, governance and organisation policies are not considered well structured, therefore needs revision/ improvement. Suggestions for institutional improvement include appropriate stakeholder networking and improvement in human resources within the organisation.

5.6.3 *Help for Progress (HfP)*¹⁰¹

Help for Progress (HfP) is a small NGO which has been operating in Southern Belize for almost 30 years (1981 – 2009). HfP started in 1981 to focus on improving livelihood opportunities through the introduction of projects geared to addressing rural poverty and social cohesion issues within rural communities, particularly those living adjacent to the border with Guatemala. For many years, HfP was the only NGO working in this region.

With the influx of refugees in the 1980's, UNHCR co-opted the services of HfP to provide assistance to 88 identified refugee impacted communities. When UNCHR pulled out of Belize in 1995, HfP served as a focal point in Belize for UNHCR and carried out activities initiated by that organization. During this period \$1.6 Million were invested to facilitate the integration of refugees into the local communities.

Another HfP credit project was targeted at households employed in the banana industry using seed finance from the EU in 1997. Households were offered BZ\$5-10k loans to assist with new house building or to be used towards incremental construction with repayments made by deductions from their monthly salary – which was key to the project's success. Following discussions with the World Bank and the Banana Growers Association, a fixed rate repayment of 8% (which covered HfP's costs) was agreed upon. The success was evident in the number of people who took the loan. From 1998-2003, the revolving loan fund increased its capital fourfold to \$1.2 million from an initial grant of Bze\$300,000.

A further scheme developed by HfP was the Rural Women's Loan Fund. This entrepreneurial scheme aimed at women is moving slowly. This is attributed to lack of entrepreneurial skills and access to markets. The other constraint is that access to collateral is restricted by Mayan communities who impose a patriarchal approach to managing their communities.

Efforts were made with a women's group from neighbouring Guatemala (San Francisco Mollejon) who operate a Rural Banking System to exchange their experiences and ideas with their indigenous womenfolk in rural Belize. This technical exchange gave the Belizean women another perspective on rural credit and resulted in increased interaction across the border – a positive outcome given the tensions that exist between the two countries. HfP's three main ongoing programmes are summarised in Table 5.6.

¹⁰¹ Additional information on HfP's operations is provided on the section on Toledo contained in Chapter 7.

Table 5.6. Current ‘Help for Progress’ Programmes

Programme	Peace, Development & Cooperation With Equity In The Adjacency Zone: Belize – Guatemala
Objective	This project aims to strengthen peace, trust, economic development and equity among poor communities in the adjacency zone: Belize & Guatemala, through diversifying agricultural production and market access, increasing participation of women and indigenous people, as well as through the strengthening of a network of local leaders and authorities in advocacy and having their voices heard.
Main Components	<ul style="list-style-type: none"> - Technical & Financial support for cacao & honey production in communities on the adjacency zone of Belize & Guatemala. - Capacity building in conflict resolution, technical support in agricultural production, organizational development & gender mainstreaming, leadership and advocacy activities. - Training for women in arts and crafts, development of leadership and advocacy skills and exchange visits to like minded projects and activities.
Other	Beneficiaries: Around 200 households. Requirements: Access to land and willingness to attend training sessions. Budget: \$108,000 (2008) (from OXFAM)
Programme	Poverty reduction in the Toledo District
Objective	The goal of this initiative is to contribute to the improvement of people’s lives and to reduce poverty in the Toledo District through the provision of services in areas of health (eye care and rehabilitation), education (intercultural), good governance and advocacy; also to include agricultural and other productive activities and community development. This initiative will also address cross-cutting issues such as HIV/AIDS, gender equity, human rights and the environment.
Main components	Capacity building in good animal husbandry practices and operation of rice hulling machine; exchange visits to farms and customized booklets for farmers. Sixteen cattle farmers received 1 head cattle and fencing materials; 2 female students received 5 female sheep and 1 young ram. The Toledo Cacao Growers Association provided the technical support to cacao farmers. The project included women’s participation in project activities.
Other	Beneficiaries: 60+ households Requirements: access to land and pasture for cattle and cacao production; building to house equipment and attendance to training sessions and exchange visits. Project execution: a Belize NGO Consortium - BCVI, SPEAR, HfP and Tumulkin Centre of Learning. Annual expenditure: c. €200,000 (25% for each NGO) provided by Irish Aid; 3 year project.
Programme	Women’s Empowerment in Rural Toledo District
Objective	The overall goal of this project was to address issues of gender inequality in seven remote villages in the Belize – Guatemala adjacency zone, Toledo District. It also seeks to contribute to the improvement of women development through capacity building and awareness creation in the Toledo District.
Main components	Design and delivery of two training modules: 1: Looking to the Future – <i>building self-confidence, setting goals and planning</i> ; and 2. We can do it! – <i>Micro enterprise skills for women in rural communities were developed</i> . Exchange visits: National Agriculture & Trade Show, Cacao Fest, Corn Fest and the Toledo Tourism Expo where the women received “hands-on” training in marketing their products. Following training, the women will have access to micro and small loans and the opportunity to slowly graduate to funds from credit unions and banks. (At present, these are subsistence type communities)
Other	The participants had to agree working in groups and voluntary participate in project activities. Ninety eight (98) women participated in this project. Bze\$56,500.00 funded by the Canada Fund.

Emerging Issues and Lessons Learnt

HfP’s approach of having permanent field officers enables HfP management to be updated on what was working and when problems started to emerge. They consider their programmes to be effective and would seek to extend them if additional funds were available. They emphasise the importance of establishing programmes rather than one-off projects which tend to create a dependency syndrome.

This, however, takes time and money to establish and requires a collective approach to community development. The issue of constant fund-raising is crucial to HfP as more and more potential funders are re-directing support to other needy areas of the world while the global financial crisis exacerbates the situation. Funding is therefore becoming harder to access. Yet additional funding could achieve much as the extension of programmes to more people in each community would create a more holistic approach.

HfP also firmly believe that there should be an NGO coordinating body: in the 1970's, there was ANDA (Association of National Agencies), BACONGO (Belize Alliance of Conservation NGO's), CVSS (Council for Voluntary Social Services) and WIN (Belize Women Issues Network). These organizations were operating as umbrella agencies with their own membership who met regularly and did advocacy work together. This has largely disappeared but it was an experience that worked and kept the membership informed of the various issues affecting Belize. Thus lessons, positive and negative, learnt from HfP projects were not shared with stakeholders and other NGOs. Hence the need for an NGO coordinating body to share experience, avoid duplication of activities, pool scarce resources and develop a co-ordinated approach for applications to donors.

5.6.4 *HUMANA, Belize*

An international charity Humana operates varied programmes in Belize relating to Child Aid, Health (HIV/AIDS), farmers training, and sanitation facility construction training. The Child Aid/ Community development programme has 10 target areas that is holistic to human development, such as education (youth), cleanliness and sanitation, Health (HIV), income generation (capacity building), linguistic training, encourage reading among children and community events. They currently run 2 Child Aid projects in 35 communities in Toledo and in 22 communities in Orange Walk and Corozal District. The project started in 2008 and now has 2,600 participating families organised into groups of 30-40 families in each village.

Funding is from varied sources such as Planet Aid, HUMANA Spain, Local Farming and Business Community, the Australian High Commission and the British High Commission. Notwithstanding success in existing programmes HUMANA considers further areas of work, if funding were available, to be nutrition and diet training (to address malnutrition); vegetable gardening training (nutrition & self-help); farmers helpline (agriculture support) and sanitation improvement (training for self-help and not to construct). HUMANA works in conjunction with the MOH, MOAAF and other ministries. They also receive the support and help of various volunteers from around the world.

5.7 ***Ministry of Natural Resources, Environment and Industry (MNREI) - Land Policy***

5.7.1 *General*

MNREI's overall mission is *"To improve the quality of life for all Belizeans through the responsible management of our renewable and non-renewable natural resources and the regulation of the environment and industry in order to foster the sustainable development of Belize"*. The Ministry's role *"is to provide stewardship for the protection and sustainable development of our natural renewable and non-renewable resources, and to promote the enabling environment for the conduct and regulation of industry and commerce. The Ministry exercises its function through its Central Administration and six*

departments dealing with the following broad portfolio areas: Land Use/Management, Forest and Biodiversity Management, Meteorology, Environment, Geology and Petroleum and Commerce and Industry”.¹⁰²

5.7.2 Lands and Survey Department (LSD)

LSD prime responsibility is “to efficiently manage the processes of determining, recording and disseminating all information about land, including ownership, value, its coordinates, its highest and best use for the socio-economic benefit and sustainable development of Belize”. It therefore has prime responsibility for the administration of all land tenure in Belize. It comprises six sections, supported by District Offices, with responsibilities as summarised below:

- Surveys and Mapping: land surveys and preparation/ updating of cadastral maps.
- National Estate: administration of government owned land, including grant of leases.
- Valuation division: collecting land transaction fees, valuing and pricing land, setting rental values.
- Physical Planning Division: approvals for development projects and subdivision, preparation of zoning plans, information on development status of land being considered for purchase by investors.
- Land Information Centre: central repository for natural resources and environmental information, manages the Land Administration and Geographic Information Systems of MNREI, disseminates cartographic and statistics to the user community.
- Land Registry: responsible for the registration and dealing of all lands situated within the declared Compulsory Registration Areas (CRAs). Transactions within areas situated outside of the CRAs are handled under the General Registry Act (GRA). It is the objective of the Department to eventually bring the whole country under one system i.e. under the Regulated Land Act to secure improved land tenure and administration system.

5.7.3 The National Estates Section (NES)

Much of Belize’s land, especially in the rural areas, is owned by the state as a result of many private leases being bought up by the colonial government early in the 20th century¹⁰³. The NES is responsible for the administration of all state land.

When someone wants to develop state owned land or regularise their occupancy, they have to apply for a lease. The application needs to show proof of long term of occupancy (i.e. rural ‘squatters’ can become legitimised) and/or lack of competing claims, proposed development/ use, some indication that applicant has the necessary funds, letter of recommendation from area representative and/or village council. These are normally granted subject to a number of conditions governing acceptable uses, parcellation plan (for residential development) and financial viability. Applications can be for anything from 5 to 400 acres; only the Minister can grant leases. Leases are normally granted for 7 years initially. Lease fees are \$3 per acre per annum for agricultural development rising to \$250-\$500 for residential development in the Cayes. Prior to the grant of the lease, the NES works closely with the LSD to survey

¹⁰² MNREI, 2004, General Profile.

¹⁰³ For a detailed description of how land tenure has evolved in Belize, see Iyo J., Mendoza P., Cardona J., Cansino A., David R. (for USAID), 2003, Country Experience in Land Issues – Belize, Land Tenure Centre.

the plot, assess its suitability and check for competing claims. At the end of the lease, the land, if it has been used according to the lease conditions, can be converted to freehold although many applicants prefer not to avoid paying the \$6,000 purchase price.

Since 2004, around 7,000 lease have been granted although this excludes 2007 and part of 2008 for which no data is available. As of October 2009, 2,500 leases had been granted or were pending, the highest figure since 2005. Also in 2009, around 1250 plots have been sold and titles granted for another 700. On average, the NES processed 450 land transactions monthly during 2009, of which over half were for leases.

State land (leased and unleased) still predominates in Cayo but less so in Orange Walk and Corozal where most leases have been converted to freehold so that cane farmers can obtain loans from banks. Until recently, the same procedure applied in Toledo but the process has now been put into question by issues relating to land held under customary tenure by the Maya (see Chapter 8).

A major concern raised during the discussion with the NES were was the recent trend of applications for large plots of land in the Cayes which has given rise to concerns that land is getting bought up by foreigners and other speculators. In an effort to exert greater control, land in these areas is now allocated on a rental basis and conditions on the time allowed to develop the site are stricter.

Since the 1970s, local authorities and Area Representatives have allocated land for the poor. Land is allocated at the village and town level. Some of the land allocated in this way is not however serviced which means that it has not been developed. There is no monitoring of the extent to which beneficiaries are indeed poor and the process is open to abuse.

Around 3% of households have benefited from land or housing allocations in the last year (LSMS).

Study team comment

Because of its sensitivity, the issue of political involvement in land allocations and the potential for corruption were not raised in the discussion with NES. As seen in the PPAs, this is one of the key concerns of rural residents – that land allocations are not processed equitably and are subject to political interference. It is, however, noted that lease applications have to be accompanied by a letter of recommendation from the area representative but that this letter does not need to have any endorsement from the local Village Council. And even where VC's do intervene they may be influenced as much by political pressures as by their community's priorities.

5.7.4 The Land Management Programme (LMP)

The LMP is an initiative of the GoB, supported by the Inter-American Development Bank (IADB), aimed at improving the enabling environment for private and public sector development through enhanced land security, effective land markets and the promotion of a coherent Land Policy framework contributing to the sustainable development and efficient use of land resources. The (LMP), which started in 2003 following a pilot project in 2001, was implemented by the Ministry. The main objectives were:

- Expand systematic cadastral surveying, tenure clarification and property rights registration, accompanied by consolidation of land rights into a single land registry system.
- Improve the efficiency and sustainability of land administration services provided by the public sector.
- Build capacity for land use planning at the local, regional and national levels; and
- Support land policy reform.

Key activities were the transfer of existing paper records (leases and freeholds) to new cadastral maps and the field survey and identification of unregistered (but occupied) land parcels within the CRAs. Much of the work specified in the ToR has been completed and a large number of land parcels within the CRAs have been identified in the field and new titles granted; those without title are encouraged to apply for leases. An adjudication process assessed evidence of ownership (and length of occupation of the parcel) and adjudicates disputes.

Despite its successes, LMP did not fulfil all its objectives. In particular, the computerisation process lagged behind the field work meaning that a large backlog of applications built up which was not accessible to those wishing to transfer land. Resources devoted to the LMP resulted in an under-resourcing of the Land Registry which led to long processing times for those involved in land transfers; and those using the new titles often found themselves in dispute with other claimants. As a result, many applicants (and banks) ignored the new titles and required processing of transactions under the old system¹⁰⁴. The MNREI is thus dealing with two systems simultaneously. To resolve the problem it has split its staff its land registration staff into two teams: one dealing with the backlog and one with new applications. Although the LMP was completed in 2008, an extension is being sought fully institutionalise its operation. Around 3% of households had benefited from land allocations (Table 4.17) Clearly, however, the current situation is unsatisfactory and hampers the efficient transfer of land to potential buyers and investors.

5.7.5 *Squatting*

Evictions of squatters on private or public land are minimal. This is hardly surprising given the relative size of the country (23,000km²) compared to its small population (approx. 300,000). With more than half living in rural settlements, often in remote villages, combined with absentee landowners of unexploited land, opportunistic arrangements for informal dwellers are plentiful. Nonetheless, from meetings with Mayan communities, and immigrants from Guatemala and El Salvador, the threat of eviction from private landowners with old leases is apparent, given the lack of official papers testifying to the current occupiers' right to the land.¹⁰⁵

Squatting is also an urban issue, especially in Southside Belize where it largely results from the absence of alternative residential locations for low income households wishing to acquire their own home. Squatted areas are often located in unsanitary and flood-prone swamps.

¹⁰⁴ For more about LMP teething troubles, see Myles A.F., 2004, Land Management Developments in Belize – Midway Observations by an Alien, FIG Working Week, Athens, 2004.

¹⁰⁵ Halcrow (2007) BNEL Social Impact Assessment.

5.7.6 *Issues and Priorities*

Aside from resolving the issues relating to the LMP and the current backlog of land transactions, MNREI considers that the following are priority issues:

- Continuing to improve land registration and transaction procedures.
- The Ministry wishes to regularise the tenure of squatters, perhaps by legitimising them if the squatters have lived on the land for some time – usually more than five years. However, LSD does not have an inventory to identify land owners and therefore, knowledge of which land is actually being squatted. This database is considered a critical item in the department's needs and could be created cost-effectively.
- Nevertheless, access to information is only part of the problem. Interviews with staff reveal that many users are illiterate and are confused by the current system. Many of the problems relating to abuses of the land use system stem from a lack of knowledge of national regulations. Public awareness campaigns would go some way to remedying this problem as could the establishment of land processing procedures in district offices which would allow villagers to administer forms without incurring expensive and time consuming travel to Belmopan.
- Creating an inventory of crown lands in order to identify land for potential development and identify illegal occupants.
- Formulating a national land use policy: at present, development rights are granted in the absence of a strategic urban development or national development framework. There is, for instance, no strategic allocation for housing at the districts or villages level, thereby indirectly facilitating difficult to service sporadic development. Similarly, for development 'hot spots' such as the burgeoning beachside tourist village of Placencia, where rapid uncontrolled development is leading to the loss of sensitive sites and environmental quality. Without an integrated approach there is risk of 'killing the goose that laid the golden egg' – an issue which the tourist island of San Pedro is now having to retrospectively manage. A similar situation is observed in the almost random pattern of new housing developments in peripheral areas of Belize city. In the same context, there is a need for greater liaison with other ministries so that a consensus is developed as to as to what types of development should be allowed and where.

5.8 *The Ministry of Housing*

The Ministry of Housing has responsibility for the following: Building Codes and Zoning; Housing; Rent Restrictions; Town Planning; Urban Development; Urban Renewal. The Ministry has only been established for approximately one year. In consequence, policy formulation and activities are just evolving; a national housing policy is under preparation. Hitherto, housing development had been largely reactive with discretionary permission being given by local politicians.

The Ministry acknowledges that, in the absence of national housing strategy and policies, they are largely operating in a policy vacuum. There is a sense that 'action speaks louder than words' with immediate solutions being sought for the short term leading to a scatter gun approach to service housing needs. The responsibility of dealing with the country's housing needs falls to the Ministry yet housing programmes are almost completely reliant on donor aid.

Housing policy for 2009 has largely been influenced by a BZ\$20m grant from the Government of Venezuela. BZ\$1.5m is allocated for rebuilding homes destroyed by Tropical Depression 16 while the remaining BZ\$18.5 million grant has been allocated to support incremental housing construction and new housing development. A grant of BZ\$5,000 is provided to each successful recipient with no requirement for repayment to the Ministry. The policy is inclusive to all Belizeans, including Mayans, who traditionally build and finance their own structures. Funds are to be distributed equally between the country's 31 constituencies (Area of Representatives) who determine local need. Beneficiary households are identified by the area representatives who are charged with identifying the poorest of the poor. The uptake of housing scheme was considered "overwhelming" demonstrating the high demand for finance to support incremental housing construction.

The rapid dispersal of housing grants for the poor is commendable. However, there are no objective criteria for identifying beneficiaries. The Ministry's small staff complement, therefore, relies on the Area Representatives to fairly and accurately identify beneficiaries. Yet the process of identifying the poor without using baseline data or transparent eligibility criteria facilitates the politicisation of the housing allocation system and the risk of bias towards some districts or ethnic groups. Whilst Mayans are recipients of some housing grants (most likely to be those living closest to urban areas and articulate enough to vouch for their need), it would appear that the more rural communities and those who live self-sufficient lifestyles, e.g. the Maya largely miss out on these grants. In contrast, many housing investment programmes and grant allocations tend to be channelled into Belize City.

In future, to avoid both this issue and reduce the burden on the Ministry, other institutional mechanisms to help identify housing need and disperse capital efficiently and effectively could be investigated. Several NGOs and autonomous agencies have the human resources and technical know-how to identify housing need and disburse funds. Whilst it was perceived that partnerships would necessitate additional staff, costs could be reduced by piggy-backing other projects and attempting to make them comprehensive in their design – such as SIF Dolores. This would both make the most of the expertise of long-established NGOs and enable the Ministry to concentrate on policy formulation and project development.

Nevertheless, any attempt to provide comprehensive improvements to social and physical infrastructure upgrades requires land use policies that prioritise developments to certain areas, thus avoiding dispersed and costly development patterns as well as curtailing development in flood prone areas.

5.9 Belize Social Investment Fund (SIF)

Established in 1996, as an autonomous institution, the Belize Social Investment Fund (SIF) operates in an institutional space between a QUANGO and a Ministerial department. SIF is managed by a Management Team and Board of Directors comprising representatives from the private sector, NGOs, the Women's Commission, Youth for the Future, the Ministries of Health, Education, Human Development, Rural Development, and National Development Investment and Culture. Daily operations are organised by a team of 20 managerial, technical and administrative professionals.

The community-needs driven approach adopted by SIF has the overall objective “to maximise [the] socio economic impact on low income livelihoods and ultimately eradicate poverty in Belize”.¹⁰⁶ Its mission statement aims to:

“...Improve the quality of life in Belize for the vulnerable and marginalised population through target orientated and demand driven mechanisms by providing social protection and basic goods and services in a sustainable, collaborative, participatory and transparent manner”.

From 1996-2006 SIF has received finance amounting to BZ\$48.7 million. Finance has come from a range of donors over the last decade including: the World Bank, the European Union; the Commonwealth Debt Initiative Programme (from the UK); the Inter-American Development Bank; the Pan-American Health Organisation; the Caribbean Development Bank and the Government of Belize. Funds come as both grants and loans. CDB’s Basic Needs Trust Fund (BNTF) is SIF’s primary provider of grant funding (see Box 5.2).

Box 5.2: BNTF: A Pivotal Financer of Belize SIF and Other Regional Agencies

The Caribbean Development Bank launched BNTF in 1985 with the assistance of USAID to improve the living conditions in rural poor communities:

“The objective of the BNTF programme is to assist low-income communities in planning and implementing projects to improve their access to essential services through the provision of social and economic infrastructure and the opportunities for the development of skills to enhance employability.”

The programme funds: infrastructure construction, minor maintenance for education and health facilities, skills training and upgrading, institutional strengthening, public awareness and information, and project management and implementation. Gender, environmental issues and disaster mitigation measures are integrated into infrastructure sub-projects. The 5th BNTF Programme (BNTF 5), approved in December 2001, provided a Grant of US\$56 million for several Caribbean countries of which \$24 million came from the Canadian International Development Agency (CIDA). The beneficiary Governments will provide counterpart financing of \$12.74m.

Source: CDB website 2009

SIF priorities, outlined in their Strategic Planning Framework (2002-07)¹⁰⁷, were the following:

- The requirement for a ‘demand driven’ and participatory project identification and bottom up approach.
- Poverty targeting that must be dynamic to reflect that poverty is in a state of flux - especially following the impacts of natural disasters
- Monitoring and evaluation of projects to assess their cost-effectiveness and beneficiary impacts.
- Institutional strengthening of BSIF staff to improve their ability to cope with empowerment programmes.
- Between 1996 and 2006, SIF has implemented over 350 community infrastructure projects (roads, water supply, schools and health clinics) as well some training and micro-credit/ finance programmes (Table 5.7). In fact, SIF has been responsible for the great majority of local

¹⁰⁶ Belize Social Investment Fund.(2003-07) The Strategic Planning Framework pp2

¹⁰⁷ Ibid pp3

infrastructure built during this period, including nearly all the rural schools and health centres. Around half the communities in the country have benefited from one or more improved roads, water supply, electrification and new or extended primary schools, while around a quarter have had new or upgraded health facilities¹⁰⁸.

Table 5.7. SIF Projects, 1996 to 2006

Sector	Projects			Expenditure (BZ\$)		
	No.	%	Works included	Millions	%	Average per project (\$)
Roads/ power	9	2.5%	Roads, drains, hurricane rehab, electrical connections	2.5	7.5%	277,800
Sanitation	13	3.6%	Latrines, sanitary units, septic tank units, rehab of bathrooms	6.3	19%	484,600
Social services etc	50	13.8%	Upgrading, new build, hurricane rehab, agricultural, summer camps, various skills training,	2.0 (skills training only)	6.0%	40,000
Health	50	13.8%	Hurricane and other rehab, new build, furnishing and equipment,	2.2	6.5%	44,000
Water	74	20.4%	New build: tanks, vats, wells, service connections, rehab and upgrading	6.3	19%	85,100
Education	167	46.0%	Rehab, upgrading, new build, furniture and equipment	13.9	42%	83,200
Total	363	100.0%		33.2	100%	91,500

Source: SIF, *Press Release 10th Year Anniversary*; Halcrow for GOB/CDB, 2007, *Evaluation of SIF 1996-2006*.

Key points arising from the Table are:

- SIF projects cover all physical and social infrastructure sectors.
- Over 40% of projects and expenditure was for the education sector.
- Water supply and sanitation each accounted for 19% of expenditure and together a quarter of all projects. Per project expenditure on sanitation projects was much higher than for other sectors.
- Over a quarter of projects were for the health and social service sectors although these tended to be much smaller in scale.

Virtually all projects and expenditure was for physical infrastructure. Expenditure on capacity building, training, community development and other such programmes accounted for only about 6% of total expenditure, although it is understood that more such programmes are now being implemented.

A recent evaluation of SIF¹⁰⁹ was completed in 2008 which provides an insight into the operational issues facing the organisation. The evaluation examined the effectiveness, efficiency and equity of both the institutions implementing projects – Government, SIF and the communities as well as evaluating different types of projects. Based on discussions, Table 5.8 provides a summary of these recommendations and the current situation regarding their implementation. The response given as to

¹⁰⁸ CPA survey of around half the country's rural villages.

¹⁰⁹ Halcrow (2008) *Evaluation of the Activities and Impact of the Belize Social Investment Fund in Respect of the Period 1996 – 2005*, GoB for CDB.

why few of the recommendations had been enacted was that SIF is undergoing restructuring as it devises its 5 year strategic plan and is in the process of receiving a new tranche of funding from BNTF 6.

While there will always be a demand for new physical infrastructure, ensuring the successful operation and maintenance of facilities once constructed is a perennial issue, and was frequently mentioned in relation to schools and health facilities. It is arguable therefore that (i) SIF should ensure that funds for O and M will be available as a condition for embarking on a project, (ii) should simultaneously consider whether funding should be made available for O and M, and (iii) beneficiary communities should be compelled to make some contributions, in cash or kind, to SIF projects. In the same vein, as the requirement for new physical infrastructure decreases, the need for improved services, ancillary programmes increases. On this basis, SIF should consider substantially increasing its funding for training, public awareness, health education, social service and nutrition programmes – in other words a switch from project to programme aid. Finally, SIF should pro-actively seek to link its activities with those other programmes operating in target communities; indeed, the existence of such programmes could be a factor in SIF project selection.

Table 5.8. SIFs Response to Recommendations

Recommendation to SIF	Status of Recommendation
<i>Retention of technical staff</i>	No Action. It would appear that political parties still influence the position and retention of staff
<i>Strengthen relationship with NGOs</i>	Unconfirmed. SIF endeavour to conduct training with NGOs to align work programme and improve skills training programmes.
<i>Use contractor frameworks to ensure quality</i>	Rejected. Some contractors are blacklisted. Otherwise contractors are rotated.
<i>Increase community mobilisation</i>	No Action. Expect that future projects will increase participation in design of projects.
<i>Improve generic design of public buildings</i>	No Action. Currently under review with GOB and end 'users'. Local & district managers of buildings contacted.
<i>Using existing project 'champions' to improve capacity development of communities</i>	No Action. Currently this is only happening to water boards. Need to use this methodology to social sectors and education.
<i>Auditing of water boards</i>	No Action. May increase frequency in the future, by Ministry
<i>Employ specialist for improved accountability and performance</i>	Unconfirmed. Realisation that Monitoring and Evaluation (M&E) specialist and a sociologist are required.

Source: adapted from recommendations of SIF Evaluation 1996-2006 (2008).

5.10 Study Implications

5.10.1 Economic Sectors

The main implications arising from the preceding analysis and discussions are the following:

- NPESAP, 2009-2013 is a comprehensive document that contains strategies and activities designed to address the great majority of issues relating directly or indirectly to poverty reduction which have been identified through the analysis of the LSMS and the PPAs. There is thus no priority need for this study to develop a new Poverty Reduction Strategy; rather the emphasis should be on formulating recommendations that can facilitate NPESAP's implementation.

- The NPESAP recognises that there are substantial threats to its successful implementation including technical capacity to implement projects, excessive political interference which reduced the population's faith in politicians, uncertain funding arising from the difficult economic situation (which curtails economic activity and reduces government revenues) and unavoidable natural disasters. The CPA should therefore try and address some of these issues through innovative recommendations or by prioritising existing proposals.
- The general conclusions from the discussions with public, private and NGO organisations involved in agriculture, tourism, finance and trade, are:
 - There are no obvious opportunities for substantial expansion of these sectors. There are no 'silver' bullets that would enable a rapid expansion of Belize's economy.
 - Improvements will thus have to come through incremental measures designed to improve training (technical, financial and managerial), a greater availability of credit (with systems tailored to different segments of the market (e.g. poor households and individuals, small enterprises and larger concerns), improved access to markets (local and international), and better market information.
 - The BRDP and NGO programmes relating to income-generation are seen as successful but their overall coverage is low, a few hundred households and individuals. There is thus a need for greater co-ordination between NGOs operating in similar fields and workshops to share experience so that successful programmes can be scaled up.
 - Land allocation procedures should be simplified and made more transparent.
 - Efforts should be made to enable tourists to consume more local produce and buy more locally made souvenirs.
- The Corozal Free Zone could be assisted in its attempt to expand its area and improve its infrastructure, especially water supply, health facilities and fire services.
- The effectiveness of Village Councils needs to be improved through wide ranging training if they are to become effective agents of local development.

5.10.2 *Land Housing and Small Scale Infrastructure*

The main implications that emerge from the preceding analysis in relation to land, housing and small scale infrastructure are summarised in Table 5.9.

Table 5.9. Key Implications: Land Housing and Small Scale Infrastructure

Land	Housing / Land use planning	Community/ Small scale infrastructure
<ul style="list-style-type: none"> - Continued, and accelerated, land registration and transaction operations by LSD - Inventorise crown lands and major private land holdings outside compulsory registration areas. - Better co-ordination with other ministries on land policy and location of developments. - Need for a policy for squatters in rural areas. 	<ul style="list-style-type: none"> - Introduce simple eligibility criteria and monitoring mechanisms for housing improvement grant programme. - Monitor and review house lots for the poor programme. - Consider using NGOs to deliver housing programmes. - Increase availability of land and housing for low income urban households. 	<ul style="list-style-type: none"> - Ensure availability of O and M funds and training of local residents to carry it out. - Improve community participation in all aspects of project design and execution - Improve community 'buy-in' by insisting on some community contributions (in cash or kind) - Increase social sector and income generation interventions using NGO partners (as occurs with BRDP).
<p>Develop land use plans for areas where development is occurring rapidly: e.g. San Pedro, Placencia, peripheral areas of Belize City.</p>		<ul style="list-style-type: none"> - Reduce SIF's emphasis on physical construction projects.

6 Institutional Analysis – Social Sectors

6.1 *General*

The following institutional analysis (IA) of the social sectors has been derived from a wide range of interviews held with government departments, NGOs and international agencies, which had the following objectives:

- to identify the principal policies, programmes, and activities of these organisations, particularly how they impact on the poor;
- to assess the scope and effectiveness of current interventions; and
- to develop potential recommendations on how existing activities can be improved and new interventions introduced.

Sections 6.2 to 6.5 respectively look at the education, health and social services sectors (including the social security system). Section 6.6 examines issues relating to crime and policing. Sections 6.7-6.10 describe the activities of different categories of NGOs working in the social sectors. Sector 6.11 presents current activities of the UN. Section 6.12 summarises views on government and programmes obtained during the PPAs. Section 6.13 looks at the coverage and poverty targeting of the major government programmes while Section 6.14 looks at trends in government social spending and distributional impacts. Finally, Section 6.15 provides an overview of the social sector IA and identifies the principal implications for the Study.

6.2 *Health¹¹⁰*

6.2.1 *Indicators and Trends*

General

Table 6.1 summarises key indicators of health in Belize for 2002 to 2006, while Table 6.2 provides some international comparisons. While trends for most key indicators are difficult to discern due to insufficient data or sharp fluctuations, it is encouraging that the infant mortality, child mortality and teenage pregnancy rates all appear to be decreasing. Furthermore, even though some of the indicators may not be as low as one might hope, life expectancy, infant and young child mortality rates, and health care at birth, all compare very well with those of neighbouring and selected Caribbean countries.

¹¹⁰ The information in this section is drawn from a wide variety of sources: PAHO, 2008, Health Situation in the Americas, Basic Indicators, An Overview of Regional Health and Belize Country Report; *ibid*, Regional Core Health (Information) System, <http://www.paho.org/English/SHA/coredata/tabulator/newTabulator.htm>; Min. of Health, 2008, Annual Reports for South, Central, East and North Regions; *ibid.*, 2006, Health Agenda, 2007-2011; *ibid.*, 2007, Health Indicators, 2006; *ibid.*, 2007, Health Abstract of Belize, 2002-2006; *ibid.*, Policy and Programme documents (various), http://health.gov.Bz/moh/index.php?option=com_content&task=blogcategory&id=37&Itemid=64; Sanigest/MoH, 2007, Belize: National Health Insurance Roll Out - Situation Analysis; SIB, 2009, Annual Abstract of Statistics, 2008; *ibid.*/ UNICEF, 2006, Belize Multiple Indicator Cluster Survey - Monitoring the Situation of Children and Women, Key Findings; as well as discussions with Ministry of Health Officials.

Table 6.1 Key Health Indicators for Belize, 2002-2007

Indicator	2002	2003	2004	2005	2006	2007	2008
Life Expectancy at birth	70.1**	na	na	72.2	69.3	75.2	na
Infant Mortality Rate (IMR) (per 1,000 live births)	19.2	14.8	14.7	18.4	19.6	17.2	12.0
Under 5 Mortality Rate	23.2	17.8	19.0	23.5	24.8	20.6	17.0
Maternal Mortality Rate (per 100,000 live births)@	92.7	40.4	63.9	134.1	41.8	85.3	42.5
% Low Birth Weight	4.2%	3.3%	4.4%	6.9%	14.2%	6.9%	na
% Stunting	na	na	na	17.6%**	na	na	na
% using contraception	na	na	na	34.3%**	na	na	na
Teenage Pregnancy Rate (women 15-19yrs)	8.3%	7.9%	9.4%	8.8%	8.2%	7.7%	na

@ Fluctuations are high due to low population.
 Source: * Census, 2001; ** MICS, 2006; *** PAHO; otherwise MoH; 2008 data comes from the MDG Report.

Table 6.2 Health Indicators - International Comparisons

Country	Life Expectancy (2006)	IMR (2007)	Under 5 Mortality Rate	Health care at birth (%)	Female use of contraception (%)
Belize	76.0 (71.8)*	17.2	20.5	95	56 (34)*
Jamaica	72.3	20.0	18.0	95	53
Honduras	71.5	23.0	43.0	67	43
El Salvador	71.3	21.5	30.0	44	67
St Vincent & the Grenadines	70.0	26.2	28.0	100	20
Guatemala	69.7	23.0	41.0	31	40
Trinidad and Tobago	69.4	16.5	18.0	100	38
All Central America **	73.1	20.0	28.0	55	64

** Excluding Mexico.

Source: PAHO; * MICS or MoH.

Mortality

Table 6.3 shows the main causes of death in Belize from 2005 to 2007. These are cancers and heart diseases which together account for just under a quarter of all deaths. Other non-communicable ‘lifestyle’ diseases (diabetes and hypertension) account for another 14% while non-medical causes (accidental/ non-accidental and transport-related) account for 13%; these categories were the major cause of death amongst the main working age population (20-59 years). Together with infant deaths from causes other than acute respiratory infections (ARIs), these afflictions account for around 60% of all deaths. HIV/AIDS is responsible for 6%, making it the 7th leading cause of death under this classification.

Figure 6.1 shows changes in the causes of death between 2002 and 2007. Interpretation of these trends is hampered by the frequency of sharp annual changes (spikes). Nevertheless the following inferences can be made:

- Cancers and heart disease remain the main causes of death.
- There has been an increase in deaths due to diabetes.
- Deaths from ARIs have decreased between 2002-2007.
- AIDS deaths appear to have stabilised at around 80 per annum.

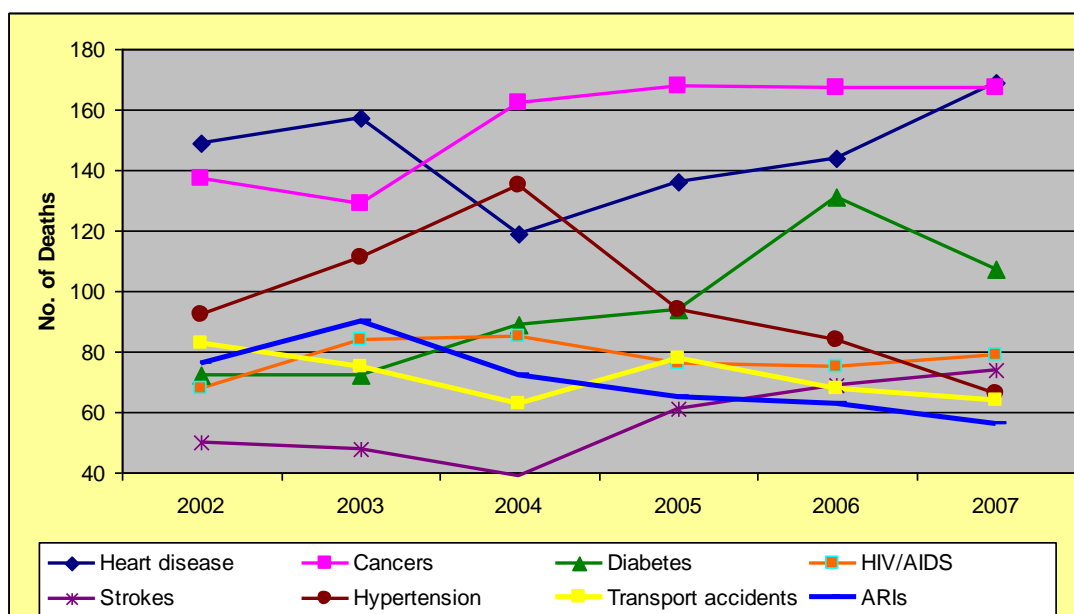
Table 6.3 Causes of Death in Belize, 2005-2007

No.	Cause of Death	No. of Cases	% of all deaths	Comments
1.	Cancers (all types)	501	12%	Not combined in many tables which means that they may not figure as a main cause of death.
2.	Heart disease (ischemic, pulmonary circulation and other heart related)	449	11%	Not combined in most tables
3.	Infant deaths (excl. ARIs)	360	9%	Excluded from most tables
4.	Diabetes	332	8%	
5.	Homicides and injuries*	320	8%	Usually separated. Some homicides are included as accidental injuries.
6.	Hypertensive diseases	244	6%	
7.	HIV/AIDS	230	6%	
8.	Transport accidents *	210	5%	
9.	Cerebro-vascular diseases (e.g. strokes)	204	5%	
10.	Acute Respiratory Infections (ARIs)	184	4%	
11.	Other	1,114	27%	MoH tables usually have 40%+ in this category.
Total		4,148	100%	

* Including those undetermined as to whether accidental or purposefully inflicted.

Source: Derived by Consultants' from AQS, 2008 tabulations of MOH data.

Figure 6.1: Trends in Selected Causes of Death



Morbidity – Communicable Diseases

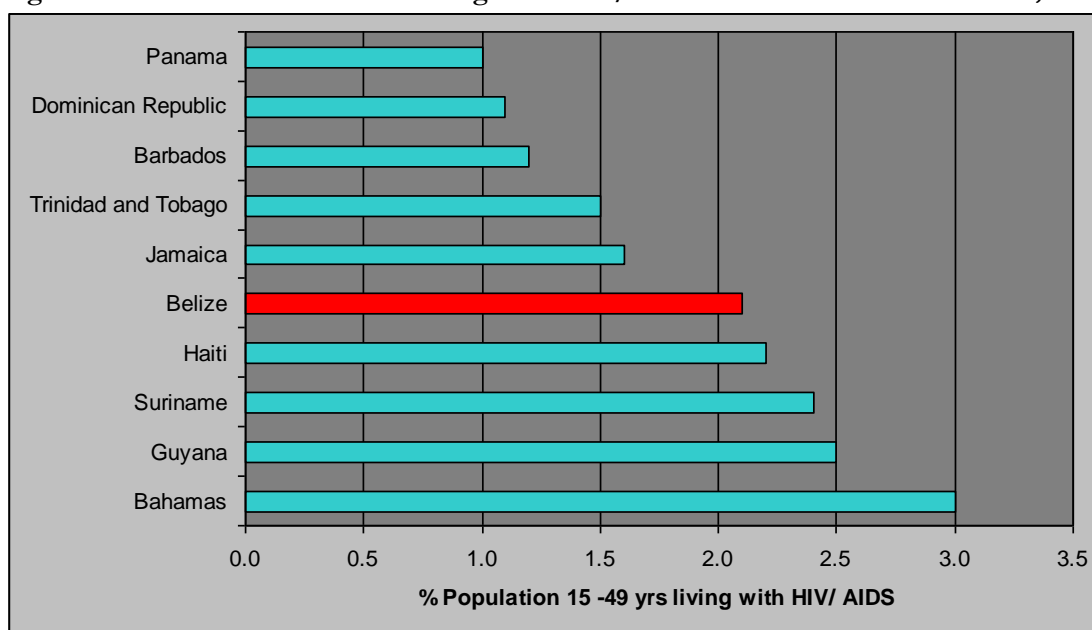
High levels of immunization¹¹¹ mean that the incidence of immuno-preventable diseases has been negligible for many years. Likewise, improved prevention and treatment measures have considerably reduced the incidence of malaria and TB although both will remain important concerns. In 2006 and

¹¹¹ In 2007, immunization rates for all the main immuno-preventable diseases exceeded 95%; SIB, 2009, Annual Abstract of Statistics, 2008.

2007, there were around 850 cases of malaria, almost 60% less than in 1998, while the prevalence of new TB cases has averaged around 30 per 100,000 people (around 100 cases per year) since 2003 compared to over 50 between 1990 and 2002.

In 2007, the adult (15-49 years of age) prevalence of persons living with HIV/AIDS in Belize was the fifth highest amongst all Latin American and Caribbean (LAC) countries (Figure 6.2). The rate in Belize was 2.1% compared with 0.5% for Latin America as a whole. This rate has remained essentially constant for the last 10 years although given a rising population, this means that the number of persons living with HIV/AIDS is increasing slowly. The number of new AIDS cases in 2007 was 120, almost 3 times the numbers in 2005 and 2006, and slightly more than the previous highs in 2002 and 2003. Whether this is simply a ‘spike’, or the start of a rising trend in AIDS cases reinforces the need for the timely provision of updated information. HIV sero-positivity of those tested increased from 3.4% in 2002 to 5.3% in 2007, although fewer persons were tested in 2006, the number of new positives has remained constant at 400-450 annually since 2002; the great majority occurs in Belize district and most (57%) are males. On the positive side, the number of deaths from AIDS has declined in the last 5 years, presumably as a result of almost 50% of sufferers now having access to anti-retrovirals.

Figure 6.2. Prevalence of Persons living with HIV/AIDS in Selected LAC Countries, 2007



NB. Table shows the 10 countries with the highest prevalence rates.

Source: UNAIDS; http://data.unaids.org/pub/GlobalReport/2008/20080813_gr08_prev1549_1990_2007_en.xls

Morbidity – General

Table 6.4 shows the main causes of hospital admissions between 2002 and 2006. As one can see in the distribution column 2002 - 2006, around 40% of all hospitalisations relate to problems occurring before or immediately after childbirth. Another 34% of cases relate to the 11 other causes specified in the

Table. From 2002-2006, 21% of these relate to intestinal ailments (e.g. gastro-enteritis) and injuries, 8% to ARIs and 5% to appendicitis and hernias. No other specified cause exceeds 5% of these admissions¹¹².

Table 6.4: Hospital Admissions, 2002 to 2006

Cases	2002	2003	2004	2005	2006	Total	distribution 2002-06		% Change 2002-06**
Complications of pregnancy and childbirth	7,040	7,854	8,318	8,107	7,595	38,914	40%		5.4%
Other Specified Causes									
ARIs (e.g. influenza)	802	1,012	847	1,072	1,263	4,996	5%	8%***	28.7%
Diabetes	420	536	254	542	657	2,409	2%	4%	25.4%
Cancers	269	366	389	391	401	1,816	2%	3%	24.7%
Bronchitis, asthma etc.	354	594	450	599	583	2,580	3%	4%	24.7%
Hypertensive	283	292	317	320	300	1,512	2%	3%	7.8%
Appendicitis, hernias	561	597	628	636	572	2,994	3%	5%	4.3%
Heart diseases	286	305	287	302	314	1,494	2%	3%	4.2%
Intestinal infectious diseases (e.g. gastro-enteritis)	1343	1392	1438	1261	1301	6,735	7%	11%	-6.3%
Urinary infections	494	539	534	485	472	2,524	3%	4%	-7.4%
Injury, accidents	1,454	1,483	1,242	1,213	782	6,174	6%	10%	-32.1%
All Specified Causes	6,967	7,863	7,206	7,557	7,425	37,018	34%	56%	
Non Specified Causes	3,507	4,500	4,765	4,477	4,562	21,811	26%	44%	
Total	17,514	20,217	20,289	20,141	19,582	97,743	100%		

* % of all causes excluding those related to pregnancy and childbirth.

** **Pink** denotes substantial increase, **green** substantial decrease.

*** Excluding pregnancy and childbirth admissions.

Source: Consultants' analysis of MoH data.

Table 6.4 also shows how the pattern of hospital admissions changed between 2002 and 2006. Cases which have increased substantially are ARIs, diabetes, cancers and other respiratory diseases. These causes now account for 24% of all non-pregnancy admissions compared to 18% in 2002. In contrast, hospital admissions related to injuries and accidents have decreased by 30%. This may result from a change in the definition of this category as the scale of the decrease does not have an immediately obvious explanation.

6.2.2 Belize Government Policy

The Ministry of Health of the Government of Belize is responsible for the provision of health care to all Belizeans. It provides a wide range of services, including primary, secondary, and tertiary health care, through a network of clinics and hospitals. These include mental health and dental services, maternal and child health (MCH), and immunisation programmes. The overall goal is:

“To raise the health status of the population by improving the efficiency, equity and quality of health care services and by promoting healthier lifestyles”.

¹¹² Although a review of the 44% of these cases for which causes are not stated might reveal some other frequent causes.

Belize's health service was subject to a major Health Sector Reform Project which started in 2001 and was largely complete by 2008. It had the following Specific Objectives:

- Restructuring and strengthening the organizational and regulatory capacity of the central and regional level of the public sector to plan, organize, produce, procure and deliver a high standard of care on a cost efficient basis.
- Rationalizing and improving the coverage and quality of services of public and private sectors by: a. restructuring public facilities; b. purchasing selected services from the private sector to support the public supply; c. providing mobile services and transport in less accessible areas; and d. training community nurses' aides and other health professionals.
- Achieving an equitable and sustainable system of sector financing by helping to set up a National Health Insurance Fund (NHIF) and focusing public spending on the poor.

Key components of the programme are shown in Table 6.5. It was largely financed through loans from IDB and CDB, with some grant funding from the EU as well as counterpart GoB funds.

Table 6.5: Components of the Health Sector Reform Plan

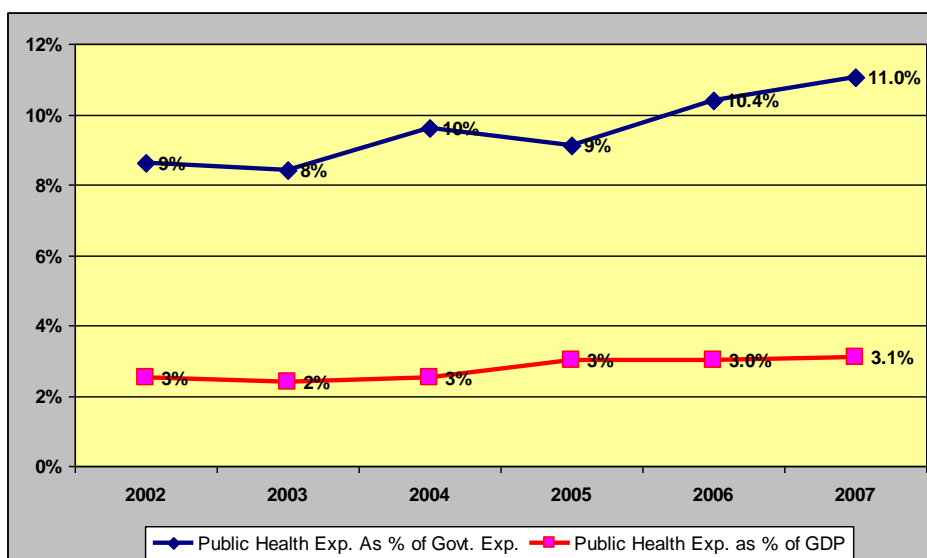
Component	Activities
1. Sector Restructuring	1a. Reorganization MOH 1b. Deconcentration Operational Authority to 4 regionally based Health Regions 1c. Piloting autonomy with Karl Heusner Memorial Hospital Authority (KHMHA) 1d. Public Information Strategy 1e. Promoting Knowledge and Behavioural Change
2. Service Rationalization and Improvement	2a. Civil Works, e.g. community hospital and polyclinic construction, renovation and extension, halfway house, 2b. Medical and Administrative Equipment 2c. Management 2d. Ambulances/Mobile Units
3. Support to the National Health Insurance Scheme (NHIS) (see below)	3a. Technical Development of the NHIF (see below) 3b. Innovation Fund

6.2.3 Health Expenditure

Planned health expenditure in 2008/09 was BZ\$72.8 million (recurrent) and BZ\$13.4 million (capital). Figure 6.3 shows that health expenditure now accounts for around 11% of total government spending and just over 3% of GDP. Both proportions have increased significantly since 2003/04. Health expenditure, when it stood at around 2.4%. The per capita equivalent is BZ\$275, around 3 times the value for 2003. It also represents a higher proportion of GDP expenditure than Guatemala and Mexico but, somewhat counter-intuitively, is lower than the 3.9% spent in Honduras. The great majority of English-speaking Caribbean countries, however, spend higher proportions¹¹³.

¹¹³ PAHO, 2008, Health Situation in the Americas: Basic Health Indicators, http://www.paho.org/english/dd/ais/BI_2007_ENG.pdf. Worldwide data is available at

Figure 6.3. Health Expenditure as % of GDP and Government Expenditure



Belize’s health expenditure currently accounts for just 11% of total government expenditure, up from 9% in 2002. Around 60% of recurrent health care expenditure is spent on salaries and 20% on drugs. Consequently, capital expenditure is limited with a heavy dependence on foreign loans and grants.

In the public systems, health care is essentially provided free at point of service, i.e. it is funded almost entirely from government revenues with small user charges for consultations, treatment or drugs. The proportion of recurrent health expenditure generated by these charges is well under 5% - which is not to say that they do not cause problems for patients from poorer households, a point often made in the PPAs; furthermore, in 2007, 45% of Belizean households reported that they would need to at least contribute to the cost of hospital treatment¹¹⁴. In 2004, private health care expenditure was estimated to be around 1.5% of GDP, or two thirds the level of public expenditure; much of which would have been spent by higher income groups on private health care services.

6.2.4 Health Facilities and Personnel

Table 6.6 shows the distribution of health facilities in the country. Mental health services are available in every district, with acute psychiatric facilities present in Belize, Cayo (Belmopan), and Stann Creek (Dangriga). A substantial number of Health Centres and Health Posts have been constructed in the last 2-3 years which has considerably improved the coverage of health services in rural areas with just under half of villages now having a permanent facility. The ratio of hospital beds per 1,000 population is around 1.2, which is higher than the comparable ratios in Guatemala and Honduras (0.7 and 1.0) but significantly lower than those in Mexico, Trinidad and Tobago, and Jamaica (1.6, 2.7 and 2).

<http://www.nationmaster.com/cat/hea-health&all=1> while expenditure relative to total government expenditure can be found at <http://hdrstats.undp.org/en/indicators/>

¹¹⁴ Belize ranks 8th best of 19 LAC countries for which data was available. See IDB, 2008, *Beyond Facts: Understanding Quality of Life*, IDB/ Harvard.

Table 6.6: Health Facilities, 2007

Region	Districts	Hospitals		Polyclinic	Health Centres	Health Posts
		No.	Beds			
Northern	Orange Walk, Corozal	2	81	0	11	15
Western	Cayo	2	66	0	4	6
Central	Belize City and rural district*	1	125	4	12	16
South	Toledo, Stann Creek	2	82	3	15	19
Country		7	354	7	42	56

* 28 rural villages are served by mobile clinics visiting monthly.

Source: Annual Regional Health Reports.

Table 6.7 shows the numbers of health personnel in the country from 2003 to 2007. Although the numbers of physicians and nurses has increased significantly since 2003, the overall provision has changed little due to the rapid increase in population¹¹⁵. Comparable rates for neighbouring countries for physicians are higher, and often considerably so, although the provision of nurses is much higher than in Guatemala and Honduras and comparable to Mexico and Jamaica (Table 6.8).

Table 6.7: Registered Medical Personnel: 2003 – 2007

Category	2003	2004	2005	2006	2007
Physicians	203	221	249	263	256
Nurses	465	449	441	443	522
Community Nursing Aides	212	204	219	217	204
Rate per 10,000 population					
Physicians	7.7	7.8	8.5	8.7	8.2
Nurses	17	15.9	15.1	14.7	16.8
Community Nursing Aides	8	7.2	7.5	7.2	6.5

Source: SIB, Annual Abstract of Statistics.

Table 6.8: Registered Medical Personnel: 2003 – 2007

Indicator	Belize	Guatemala	Honduras	Mexico	Jamaica	Trinidad and Tobago
Physicians/ 10,000 pop.	8.2	9.7	8.5	14	8.5	7.5
Nurses per 10,000 pop.	16.8	3.6	3.3	19	16.5	28.7

Source: PAHO; <http://www.paho.org/English/SHA/coredata/tabulator/newTabulator.htm>

6.2.5 Maternal and Child Health (MCH)

The purpose of the MCH services is to provide comprehensive care to all women during pregnancy, delivery and up to 42 days after delivery to contribute to their health by providing vaccines, nutritional and healthy lifestyle education. Contribute to the improvement of the nutritional status of infants and children, by providing micronutrients and growth promotion and to immunize them against eleven immune preventable diseases. Other services provided under MCH are sexual and reproductive health services e.g. prevention and control of reproductive tract cancer, gender based violence, prevention of mother to child transmission of HIV and syphilis.

¹¹⁵ As a result of the shortfall, a number of Cuban doctors are working in health clinics, mostly in rural areas.

The services are delivered through a network of eight urban and 42 rural health centres that are staffed by Public Health Nurses, Nurse Practitioners, Rural Health Nurses, Caretakers and Driver/Mechanics. Community Health Workers and Traditional Birth Attendants form an important link between the health system and the community. The expansion of services to communities without a health facility is done through the mobile clinics every 6 to 8 weeks. Pregnant women are seen an average of 5.5 times during each pregnancy.

Major achievements have been: the reduction in the maternal mortality ratio; a decrease in the incidence of anaemia amongst women in Toledo (micro-nutrient supplementation programme); maintenance of high vaccine coverage at a minimum of 95%; reduced vertical transmission rate to 3.1% in 2008; skilled birth attendance rate greater than 95%; and post natal care provided to half of the total women with a live birth.

Key issues to sustain the gains are to continue making pregnancy safer in Belize by providing high quality prenatal and postnatal care and childbirth; improving the nutritional situation of children with emphasis on those 0-35 months old; continue with the certification of hospitals as Baby Friendly to promote, protect and support successful breastfeeding; ensure mobile clinics to hard to reach villages are maintained; improve the management of gender based violence survivors; increase the 3 year coverage of pap smears for early detection and timely management of precancerous and cancerous lesions; integration of the sexual and reproductive health services including HIV into the health system, ensuring services are available at all entry points; maintenance of the vertical transmission rate of HIV and syphilis.

6.2.6 *The Health Education and Community Participation Bureau (HECOPAB)*

Established in 1983 with assistance from UNICEF, HECOPAB is the health education and promotion arm of the Ministry of Health with the responsibility to plan, coordinate and implement health promotion programmes, projects, interventions and activities throughout the country. Its strategic objective is to “*to provide, in an environment of social and gender equity, current health information that is accurate, relevant and necessary for the promotion of health and wellness as a means for the development of human potential and institutional capacity*”.

Since 2002, the HECOPAB Unit has established itself in each district while considerably strengthening its operations. The following services are provided:

- Maintaining a health information resource center (print and video);
- Providing health educators for schools and communities for health education sessions, discussions and demonstrations;
- Designing and producing health education materials (leaflets, fliers, posters, booklets, etc); messages for public information (radio & TV); and running health education booths at health fairs;
- Providing training for community organization and development;
- Coordinating the activities, and facilitating the training of the Community Health Workers;

- Providing technical support in programme planning and implementation with allied health personnel, other government ministries/departments, NGOs and UN agencies (PAHO, UNICEF, etc.).

At present, HECOPAB priorities are considered to be: HIV/AIDS; chronic non-communicable diseases (diabetes and hypertension); road safety; tobacco control; domestic violence and nutrition.

6.2.7 *Mental Health Care*

The goal of the Mental Health Programme is to achieve the best mental health status for all Belizeans by providing services to prevent and reduce the incidence of mental illness. Services provided are organized and implemented throughout the country at three levels of care:

- Out-patient Services: Crisis intervention; individual therapeutic work; therapeutic work with families; and mobile clinics.
- In-patient Services: Palmview Hospital (residential) and acute Psychiatric Units attached to general hospitals; consultation and liaison; and rehabilitation.
- Community Services: outreach programmes run mainly by Psychiatric Nurse Practitioners, and ancillary services.

In 2005, 12,318 patients were seen at various psychiatric units throughout the country. The principal conditions leading to mental health consultations are clinical depression, psychotic disorders, anxiety disorders, substance abuse, and stress-related disorders. Psychotic disorders accounted for the highest number (26%). Child disorders and abuse accounted for around 4% of cases seen.

6.2.8 *The National Health Insurance Scheme (NHIS)*

The development of Belize's National Health Insurance System dates from 2000 with the launch of a pilot project with the objective of "*consolidating efforts for the implementation of a national insurance plan to cover health care costs currently being funded by the government through the Ministry of Health and to ensure sustainable universal access to health care by the population*". The development of NHI is not primarily about '*how to raise money*' for health care but to "*change the way that health funding is spent (value for money / equity) through the principle of an 'informed purchaser' from a 'choice of providers'*". A key principle is to harness the resources of private health care providers (pharmacies and diagnostic laboratories) to assist in the provision of universal health care for all.

In 2002 a service agreement between the Social Security Board (SSB) and National Health Insurance Fund (NHIF) was signed that defines the relationship between the two entities, with the latter serving as a sub-unit of the SSB. It instructs the NHIF to purchase services agreed upon by the Ministry of Health, applying certain performance contract principles (productivity, efficiency, and effectiveness indicators linked to targets and bonuses). Service agreements between the NHIF and the four primary care provider (PCP) clinics on Southside Belize City (the pilot project area) were signed in 2001 and define the NHIF relationship as a service purchaser and the PCPs as service providers. The services provided include: basic medical consultations, detection and monitoring of hypertension, diabetes, HIV/AIDS, cancers, TB, pre- and post-natal care, family planning services, laboratory and imaging services, drugs from the government formulary, and child deliveries.

By early 2005, the NHI was fully implemented in Belize Southside, by which time it catered to around 36,000 people¹¹⁶. Participation required registration with a local GP at one of the PCPs. In June 2006, the NHI was extended to the Southern Health Region (Stann Creek and Toledo) with the important difference that patient contributions were eliminated in order to maximise coverage. The implementation of NHI in the south proved a greater challenge, given the dispersed rural distribution of the population, and required the establishment of satellite clinics and mobile 'outreach' services to provide a comprehensive and equitable coverage. By June 2007, another 28,000 people had been enrolled in the NHI.

In its initial years, NHI funding was almost exclusively provided by SSB and averaged around BZ\$5 million annually. Since 2006, additional finance is being made available by GoB directly through the Ministry of Finance and indirectly through the Ministry of Health, as a result of the need to roughly double the funding to BZ\$10 million to enable the extension of NHI to southern Belize. Thus, financing in 2006 was split roughly as follows: SSB – 33%, MoF - 40% and MoH – 11%. With further increases in coverage, funding requirements will continue to increase rapidly, necessitating increased contributions from MoH and MoF (assuming that the SSB contribution remains constant at \$5 million per annum).

Between 2002 and 2006, 47% of the NHI budget was spent on the PCP, 17% on hospital deliveries, and 12% on drugs, with the remainder going on ancillary services. Per member expenditure since 2003 has remained relatively stable at BZ\$130-150 in real terms.

Patient contributions (co-payments) were introduced at the outset of the scheme to improve revenue generation, improve equity (by including exemptions for some categories of patient, e.g. elderly and young children), and to encourage a more rationale use of healthcare. Co-payments now account for almost 20% of NHI revenues up from only 5% when the scheme was first introduced. There has, however, been no evaluation of the impact of these on poorer households.

Various scenarios for financing the increase in NHI costs were suggested by Sanigest – payroll tax, increased taxation of other goods and services, lottery tax, petroleum fund. To date, no firm decision has been made.

Gaps identified between the current NHI package and the overall national health model included: no or little provision for mental health services, dental care, and health education activities related to prevention. Several areas for improvement were also identified relating to NHI service protocols and contracts.

6.2.9 NGOs Working in Health Care

A number of NGOs work in health related issues and provide an important addition to the services provided by government particularly in the fields of family planning and HIV/AIDS.

¹¹⁶ Based on data contained in Sanigest, op. cit., one can estimate that around half the population avails itself of NHI services every year.

The Belize Family Life Association (BFLA)

The Belize Family Life Association (BFLA) was established in 1985. It is a member of the International Planned Parenthood Federation. BFLA is dedicated primarily to family planning and reproductive health. From its six centres throughout Belize, BFLA provides a range of reproductive health services including pregnancy tests, STD diagnosis and treatment, pap smear diagnosis and treatment of the early stages of dysplasia, and counselling in sexual and reproductive health. It operates primarily through an out-patient clinic which provides advice, contraceptive services and counselling; it is the only organisation providing adolescent counselling on AIDS. It also runs youth programmes.

It sees the main issues as an increasingly sexually active population allied to continued resistance to sex education in schools which in turn leads to teenage pregnancy. Stigmatisation also restricts livelihood options for HIV sufferers and homosexuals.

BFLA has close links with various government departments, NGOs and especially those working on HIV/AIDS. As with many NGOs, BFLA is financially constrained but manages with funding from international organisations.

Given its expertise and the importance of the services it provides, BFLA should be a key actor in any programmes to reduce risky sexual behaviour amongst the younger population.

The National AIDS Commission (NAC)

The National AIDS Commission was appointed by Cabinet and officially established in February 2000. The principal objective of the NAC is to coordinate, facilitate and monitor the national response to HIV and AIDS as well as the National Strategic Plan. The Commission also has the shared responsibility for Advocacy, Resource Mobilization, the development of Policy and Legislation, and over all Monitoring and Evaluation of all interventions and efforts. It is not a service provider as such but works closely with several NGOs such as the BFLA, the Hand in Hand Ministry, the Voluntary Counselling and Testing, the Alliance against AIDS and the Cornerstone Foundation¹¹⁷.

Together these NGOs provide a wide range of programmes and services covering all aspects of AIDS prevention, treatment and rehabilitation, the results of which appear to be having some impact on the overall situation (see section 6.2). However, lack of sex education, unprotected sex, stigmatisation and inadequate and insecure finance remain major obstacles to greater progress.

6.2.10 Issues and Priorities

Medical Issues

MoH considers that services related to MCH, immunization and the control of communicable diseases are functioning well and require continued upgrading and incremental improvement, rather than major new initiatives. It sees the major problem areas in the coming years as being the increasing prevalence of non-communicable diseases (NCD), especially diabetes and hypertension – the proportion of NHI patients with these complaints increased from 25% to 31% in just two years.

¹¹⁷ Summaries of interviews with these NGOs are contained in Volume 2. Supplementary Material.

A more general issue is how to improve health care in rural areas where health facilities are more dispersed and much less well equipped. This issue is particularly pertinent in the south where health conditions are generally poorer due to lower standards of water supply, hygiene and nutrition, exacerbated by cultural constraints which make it harder for women to travel outside their home villages.

Also of concern are issues related to sexual health and risky practices and HIV/AIDS. As discussed in Chapter 4, the former have a clear link to future poverty and antisocial behaviour, yet sex education is still limited and teenage pregnancies high. Trends in HIV/AIDS and it would appear that the major efforts made by the government, the NAC and NGOs working in this field are having some impact (retrovirals are now freely available) – but the problem is potentially too serious for vigilance and efforts to be relaxed; it is also closely linked to the more general issue of unprotected sex..

Non-Medical Issues

Regional health reports provide a summary of the financial, logistical and technical problems that prevent the health service from being as effective as it could be. Table 6.9 provides examples of these problems, which are arguably of greater immediate significance than those related to medical issues.

It should be emphasized that these types of problems are not confined to the health sector. They are presented here as an example of the types of constraints which restrict the effectiveness of many government programmes.

Table 6.9. Non-Medical Problems facing the Health System

This table is presented as an example of the types of problems and needs faced by government service providers; it is not intended to be a criticism of the performance of the Ministry of Health.

Type of Problem	Region - South	Region – Central	Region - Western
Staffing – availability	Insufficient and/or unavailable staffing – Doctors, Nurses, Med Tech, Pharmacist, Public Health Inspector, Public Health Nurses, Rural Health Nurses	No Rural Health Nurse posted at Gales Point Health Center. Nurses who have been granted study leave without replacement Loss of staff due to four (4) pharmacists having resigned; operation of pharmacy has suffered and one had to close. Lack of staff including: Medical Officer, Dental Assistant, Nurses, Caretaker, Security Officer, Data Entry Clerk, Receptionist, Pharmacy Assistant, Medical Technologist, X-ray Technician. Two staff retired and all pertinent paperwork is at the Ministry of Health for replacement to be approved. The region continues to face the major challenge of obtaining permission to fill the many vacancies that exist. Request for 16 of 35 vacancies have been sent to the Commission to date. Meetings have been held with the Administrative Officer but some letters to the Commission are still outstanding.	Unit remains without an assigned staff despite request in Budget. Numerous submissions have been made for the filling of vacant approved Posts but long delays. Some of these posts are: Senior Public Health Nurse, Health Educator, Infection Control Sister, Staff Nurses, Practical Nurses, Medical Officers, Internist, Medical Technologist, Nurse, and Anaesthetist. Not having these posts filled, has resulted in excessive overtime on the part of Health care providers, over burdened, low morale which impacts negatively on performance and delivery of quality health care: bed occupancy remains low as critical babies must be transferred to KHMH.
Staffing - other	Improved job descriptions and staff sensitisation programmes.	Inadequate access to training and health education materials Increase in the stipend to reflect inflation and other key indicators as many of our CHWs are moving out of their communities to find jobs in urban areas Lack of allowances/ overtime payments for staff at outstations Financial issues related to NHI staff at PCPs.	Uniform allowance: Inadequate allocation for all staff including inclusive ancillary staff who are in contact with patients. Subsistence: Inadequate allocation for officers who provide Primary Health Care Services in the communities.
Pharmaceuticals		The unavailability of pharmaceuticals.	Lack of basic hospital supplies and pharmaceuticals was a major problem in 2008 leading to shortages in several depts. Due to lack of basic sutures, elective surgeries had to be stopped here for over six months so as to prioritize the emergency surgeries (BUT situation improved later in the year) The blood bank has been low on screened blood for several months due to long waiting time for results from Central Laboratory
Equipment	Not mentioned	Medical Equipment (blood pressure apparatus) for CHW's and Health Posts are necessary	Region has received equipment from Taiwan, but there is still need for Ultrasound machine, defibrillator and others.
Transport	Transportation – insufficient road-worthy vehicles available to provide adequate community outreach and hospital vehicular support	Transportation for the collection of water samples. Transportation in the form of a pickup Limited access to transportation and other basic resources The region has a fleet of vehicle with more than 75% being old vehicles and therefore repairs are expensive. There are only three posts for drivers for this region.	Repairs to Vehicle: inadequate allocation for minor repairs of vehicles, furniture, equipment. This interrupts the efficiency of services.

Type of Problem	Region - South	Region – Central	Region - Western
Buildings/ facilities		For HIV Integration at CWPCII there exists a lack of financial resources to enclosed a room to add another consultation room	Insufficient office Space: There has been the displacement of several units due to the construction of the Emergency Unit leading to low morale. The two new Operating theatres have not been completed, which places us at a disadvantage when mass Casualties are received. Repairs needed to leaking Hospital Roof and to Georgeville Health Centre. Upgrade of electrical Supply Network at Western Regional Hospital urgently needed.
Other		Limited knowledge as to the available budget for HECOPAB activities at the regional level Finalization of NHI Contracts	Food: insufficient Funds to purchase food for patients and staff resulting in inadequate diet for patients.
Recommendations and conclusions	Personnel (develop incentive package) Staff training Transportation Updated medical equipment	Region operates on skeletal staff hence fill all vacant posts need to be filled urgently to avoid loss of these posts; immediately replace staff once study leave is approved; increase staffing at San Pedro Hospital; hire 2 Health Educators (posts are part of the 2008/09 budget) and develop a formal training plan for them. An evaluation of the fleet of vehicles should be conducted to provide recommendations for purchases over the next 5 years; allocated funds for servicing and maintenance of the vehicles. Health infrastructure has improved in recent years so now is the time to develop the health personnel. Two of the principal challenges facing the staff are lack of motivation and effective communication with management: develop 'Caring for the Caregiver Programs' + training on topics such as interpersonal relationships, conflict resolution and public relations. There should be stronger support from Senior Management at MoH and politicians. Improve supplies of basic pharmaceuticals to ensure that CHW activities are not hindered. Re-evaluate CHWs roles and responsibilities to determine cost effectiveness of increasing the monetary incentive. Conduct urgent repairs to the Rural Health Facilities.	The need to fill the urgent approved posts Office space Building repairs and completion of emergency operating rooms. Acquisition of adequate transport. Improve supply of pharmaceutical and medical supplies to the Hospitals and Health Centres.

NB. Level of detail varies between reports. North region report was not available.

Source: Summarised by Consultants' from MoH, 2009, [Annual Health Reports for South, Central and West regions](#).

There is a high degree of consistency among the challenges that the three regions face: lack of staff, poor availability of transport, problems with the supply of pharmaceuticals, issues with buildings and equipment. The overall impression is that the staff are doing their best, but morale is declining and services are suffering, presumably leading due to decreased satisfaction on the part of patients – which in turn will reduce confidence in the government as a whole. Some issues can be resolved by improving overall management and recruiting procedures, and strengthening contract management, purchasing systems and operational procedures. The solutions to other challenges will inevitably increase expenditures: more vehicles (and the money to operate and maintain them), additional staff (although many vacancies are for approved and budgeted staff), incentives for staff working away from their homes and in rural areas, building maintenance, etc. This additional expenditure may be less than expected – 2 of the 3 regions had underspent in 2007/08 i.e. 21% in the Central region and 30% in Southern region.

Unless these types of improvements are made, it is hard to see how the health care system will not deteriorate and lead to the waste of the considerable resources spent in building up the physical facilities.

In this context, it is extremely encouraging that MoH has launched a major initiative to upgrade the technical and managerial capabilities of its staff so as to improve the quality of health services provided¹¹⁸. It is to be hoped that other issues mentioned in the Table, such as operations and maintenance, recruitment and drug/ equipment supplies will also be addressed.

6.3 Education¹¹⁹

6.3.1 Indicators and Trends

Table 6.10 summarises key indicators of education in Belize in the last 7 years while Figure 6.5 shows the trends for selected indicators.

Table 6.10: Key Education Indicators, 2001-2007

Indicators	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Apparent Intake Rate (Primary)		94.9	93.7	97.9	100.3	103.0	96.2
Gross Enrolment Ratio (Preschool)	26.8	25.1	24.5	27.8	29.7	31.0	35.7
Gross Enrolment Ratio (Primary)	109.8	104.5	103.7	102.7	101.1	98.9	97.0
Gross Enrolment Ratio (Secondary)	60.6	58.2	59.2	57.3	60.4	55.1	53.5
Net intake rate (Primary)		67.8	64.6	58.3	66.9	67.0	57.7
Transition rate (primary - secondary)	87.4	90.3	84.2	87.7	84.6	85.3	86.2
Net Enrolment Ratio (primary 5-12yrs)	95.0	91.1	90.3	88.0	88.1	86.4	84.6
Net Enrolment Ratio (secondary 13-16yrs)	45.0	42.9	44.1	45.4	45.3	41.2	40.0

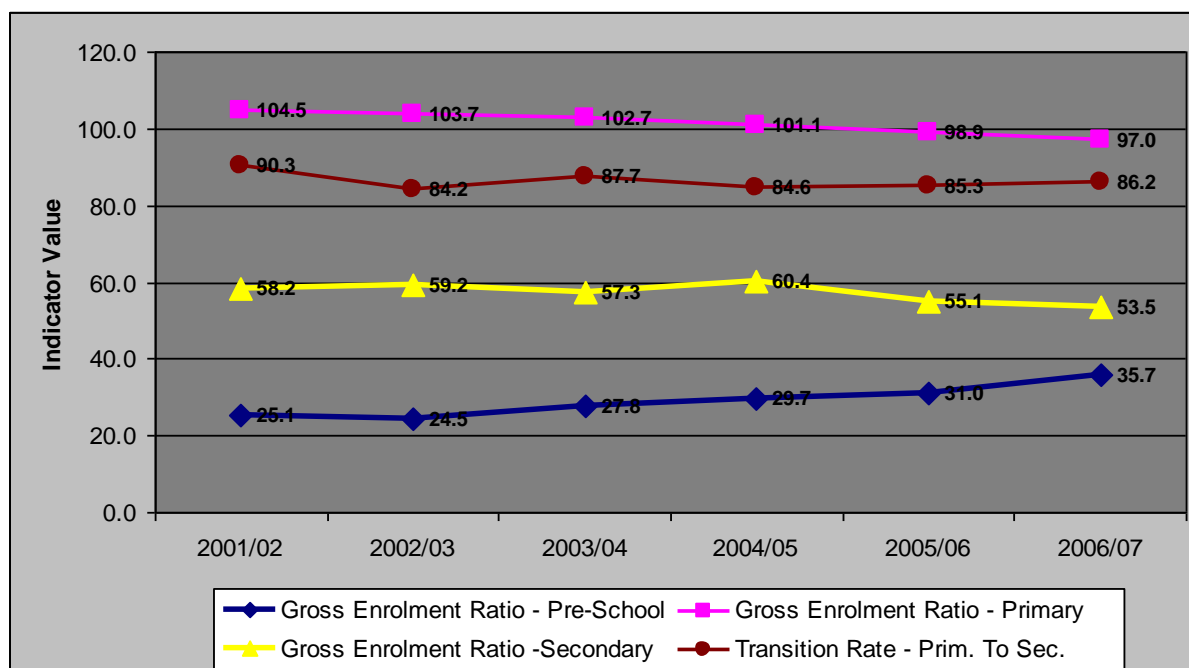
Primary enrolment is high although the difference between gross and net enrolment ratios implies that children are increasingly repeating classes. Further statistics of concern are:

¹¹⁸ PAHO/ MoH, 2009, Baseline Indicators: 20 Goals for a Decade in HRH (Human Resources for Health), [http://www.health.gov.bz/www/attachments/451_Belize%2009%20-%20Indicators%20\(Eng\).pdf](http://www.health.gov.bz/www/attachments/451_Belize%2009%20-%20Indicators%20(Eng).pdf)

¹¹⁹ This section is based upon the following principal sources: Ministry of Education, 2004, Action Plan 2005-2010; *ibid.*, 2008, Action Plan 2005-2010 Update; *ibid.*, 2008, Educational Statistics, 2003-2007. Discussions were also held with Ministry officials and provided additional information.

- An annual primary school repetition rate of 7.4% (2006-7) which means that many children do not reach Standard 6 in the allotted time - although most will eventually complete but taking a year or two longer.
- A quarter of students taking the Primary School Examination (PSE) in 2007 achieved a mark of under 50%. This proportion is substantially higher in rural (41%) than in urban (29%) areas. Furthermore although this represents a decrease in ‘failure’ rates relative to 2005, it is still higher than the level achieved in 2004 when 29% did not achieve a 50% mark; the gap between urban and rural areas is also wider.
- Around 15% of those who complete primary school do not proceed to secondary school. This transition rate has not changed significantly in the last few years.
- The number of children completing secondary school in 2008 was under two thirds of those enrolling in form 1 four years earlier.
- Girls account for 52% of secondary school enrolment compared with 49% in primary school, i.e. boys are more likely to drop out of secondary school (and repeat classes). Completion rates are also higher for girls.
- Under half of pupils in 4th form achieved a satisfactory outcome in the regional CSEC exams in Mathematics; 59% did so in English. These percentages were much lower in rural areas: 42% and 28% satisfactory outcomes for English and Maths respectively compared to 63% and 51% in urban areas – which is the opposite of the trend for PSE.
- Whereas 54% of primary school pupils lived in rural areas, only 23% of secondary school students were from rural areas indicating a much lower level of secondary schooling in rural areas.

Figure 6.4: Educational Trends, 2001-2007



There are however positive trends:

- The gross pre-school enrolment ratio increased from 28% in 2000/01 to 36% in 2007/08.
- Completion rates in both primary and secondary schools are increasing – from 66% to 77% for primary between 2000 and 2007, and from 60% to 63% for secondary.
- Satisfactory performance at CSEC exams increased nationwide between 2004 and 2007 from 50% to 53%. Improvement was most marked in rural area where the proportion of pupils achieving a satisfactory performance increased by almost a quarter.
- Primary school repetition rates are on a downward trend: in 2001, 9% of students repeated classes; in 2006, this had dropped to 7.4%.
- Primary school dropout rates are very low – under 1%.
- Belize continues to have a higher combined¹²⁰ gross enrolment rate than neighbouring and other Caribbean countries. Adult literacy is, however, one of the lowest in the Americas (Table 6.11).

Table 6.11: Education Indicators - International Comparisons

Country	Combined gross enrolment ratio in education (2006)	Adult literacy (1999-2006)
Belize	78.3	75.1
Jamaica	78.1	85.5
Honduras	74.8	82.6
El Salvador	72.3	83.6
Saint Vincent and the Grenadines	68.9	88.1
Guatemala	67.6	72.5
Trinidad and Tobago	61.1	98.6
Latin America/ Caribbean	82.0	90.6

Source: UNDP, Human Development Report, 2008.

Based on the preceding analysis, it is apparent that, despite high primary school enrolment and some other encouraging trends, the education system in Belize is experiencing significant problems: enrolment rates are declining for primary and secondary education (although this may be due to the fact that population estimates rather than actual counts are used), completion rates remain low, and examination pass rates can only be described as unsatisfactory. Most importantly, secondary school enrolment is little over 50% and much lower than in rural areas.

Reasons for this situation will be examined in subsequent sections; however, one might be the constant arrival of new non-anglophone immigrant children who are not quickly enrolled into the education system.

6.3.2 Government Policy

The Ministry of Education's overall mission is "to create an education system that promotes equity, ensures access and demands quality". The system is divided into four: pre-school, primary, secondary and tertiary. The Ministry also provides a number of additional services such as special needs, adult and vocational education, teacher training, after schools programmes, and parental support.

¹²⁰ I.e. Combining primary, secondary and tertiary enrolment rates.

Children start their formal education with 2 years of infant school (ages 5 and 6), 6 years standard primary (7-14 years) followed by four years of secondary school. Primary and secondary education is compulsory up to age 14, i.e. the completion of primary school; secondary school is not compulsory. In consequence, whereas gross enrolment in primary school approaches 100%, secondary enrolment is much lower at little over 50% (see Chapter 2). Pre-school enrolment is around 38%.

The overall policy context is provided by the Ministry of Education Action Plan 2005-2010 which is focusing on 8 action areas, namely:

1. Early childhood education (ECE)
2. Teacher training
3. Adult and continuing education
4. Curriculum review and assessment
5. Special Education
6. Technical and Vocational Education
7. Higher Education
8. Policy Development.

An update on progress prepared in 2008 considered that “significant progress [had been] made over the last three years in teacher education, early childhood education, technical and vocational education and training, special education and curriculum development”.

6.3.3 *Education Expenditure*

GoB’s commitment to education is shown by the fact that education expenditure has exceeded 22% of government expenditure for the last 7 years. In 2007-08, the education budget was BZ\$146 million, 24.5% of the national budget (5.7% of GDP), equivalent to BZ\$1,600 per pupil. Figure 6.5 shows the distribution of recurrent expenditure per sector.

Education is not entirely free. Government funding covers 100% of teachers’ salaries except in government aided secondary schools (see Table 6.12). Schools are, however, responsible for the non-funded proportion as well as all operation and maintenance costs. Top-up fees are thus essential for the operation of the school system and schools are free to charge the fees that they consider to be justified. While these fees are largely nominal, especially for primary schooling, they nevertheless cause financial difficulties for many households (see table 4.23), particularly in rural areas where cash incomes tend to be much lower. Some schools make allowance for this by waiving fees in exceptional circumstances. There is, however, the argument that paying nominal fees ensures a commitment by parents to their child’s education for they may be absent if no fees are payable. In the majority of cases¹²¹, parents have to pay for their children’s uniforms, textbooks and school lunches.

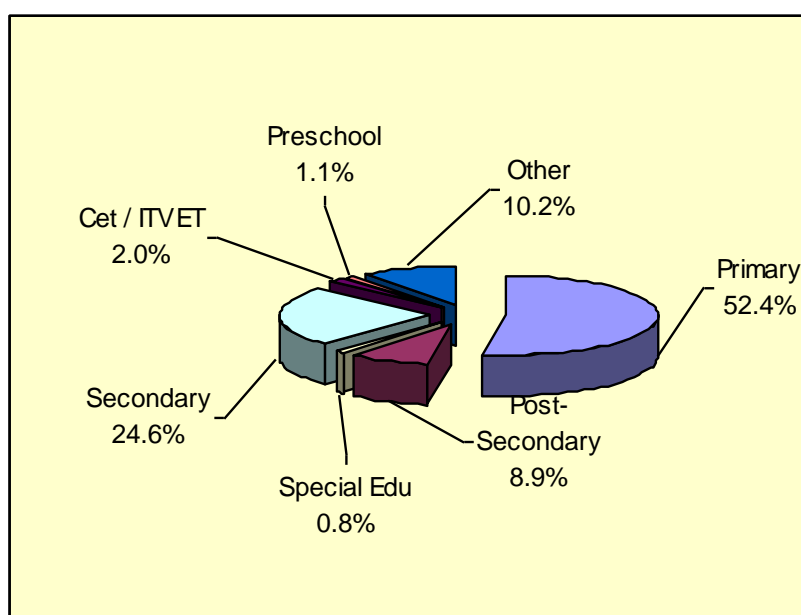
¹²¹ Textbooks are now provided free in primary schools and free lunches are available in some schools (see Section 6.3.3).

Table 6.12. School Fees (annual)

School Level	Government		Government Aided- Church	
	Salary subsidy	Fees (BZ\$)	Salary subsidy	Fees (BZ\$)
Primary	100%	100-150	100%	100-150
Secondary	100%	300-400	70%	300-1,000
Junior college	100%	1,600-2,000	na	na

Source: Interview with Ministry of Education.

Figure 6.6: Education Recurrent Expenditure by Sector, 2007/08



Capital expenditure in 2007/08 was BZ\$2.8 million of which around half was being spent on a state of the art Technical and Vocational Education and Training school (ITVET) in Belize City.

6.3.4 Educational Establishments and Personnel

Table 6.13 summarises information on educational establishments in Belize.

Table 6.13: Educational Establishments

School type	2003-04	2004-05	2005-06	2006-07	2007-08	Change 2003-2007	
						No.	%
Preschool	102	118	142	152	171	69	68%
Primary	276	282	288	287	292	16	6%
Secondary	44	45	49	48	49	5	11%
Jr. College	9	10	10	10	11	2	22%

Source: Ministry of Education, Educational Statistics, 2008 (and for following tables).

The principal change in the last 5 years has been the major increase in the number of pre-schools. As a result, pre-school enrolment has increased by over 50% and the great majority of villages now have pre-

school classes attached to their primary schools. Most of the new primary schools have also been built in villages which previously did not have them. In addition, there are 5 tertiary level establishments.

The Belize educational system is a mixed system that includes government, church and private establishments. The church schools receive government financial support. Details are provided in Table 6.14 and show that only a minority of primary and secondary schools are under the direct control of government. Almost all of the government run primary schools are in rural areas.

Table 6.14: Distribution of Educational Establishments by Management, 2008

School Management	Government	Gov't-Aided - Church.	Gov't-Aided - Community	Priv./ Other	Total
Primary	53 (18%)	210 (71%)	0 (0%)	31 (11%)	100%
Secondary	15 (29%)	21 (41%)	4 (8%)	11 (22%)	100%

Table 6.15 provides information on the numbers of teachers and their training.

Table 6.15: Teachers, 2003/04 – 2007/08

School type	2003-04	2004-05	2005-06	2006-07	2007-08	Change 2003-2007	
						No.	%
Preschool	223	256	282	291	348	125	56%
Primary	2,643	2,676	2,829	2,860	2,917	274	10%
Secondary	1,060	1,131	1,170	1,206	1,216	156	15%
Jr. College	147	153	175	173	178	31	21%

At primary and secondary level, the number of teachers has increased faster than the number of schools. Student teacher ratios are reasonable at 17, 22 and 14 for pre-, primary and secondary schools respectively. The level of training of teachers is, however, more problematic (Table 6.16).

Table 6.16: Training Levels of Teachers, 2008

District	% Teachers Trained		
	Pre-school*	Primary**	Secondary***
Belize	69	44	42
Cayo	46	39	23
Corozal	56	56	29
Orange Walk	36	55	31
Stann Creek	60	32	18
Toledo	58	31	24
TOTAL	58	43	31

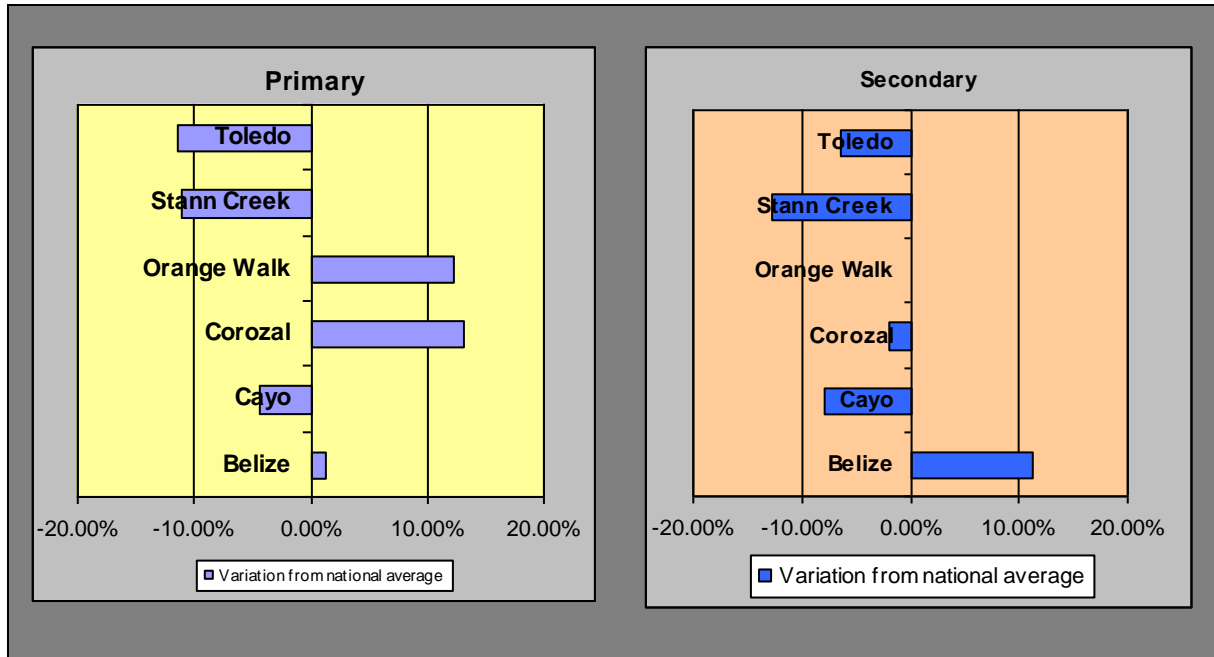
* Trained in Early Child Education

** Complete or partial teacher training qualification.

*** Graduates or trained teachers.

Little over 40% of primary school teachers have a teaching qualification while only 30% of secondary school teachers do so although another 28% are graduates. A quarter of primary school teachers have no tertiary education. The level of trained pre-school teachers is higher but is still below 60%. The low level of teacher training, which the government is well aware of, impacts both the quality of education and the ability to control classrooms with unruly children. Figure 6.6 shows that the situation is significantly worse in the southern districts of Stann Creek and Toledo.

Figure 6.6: Variations in Teachers' Training by District



6.3.5 Targeted Educational Programmes

Increasing concerns about the impact of poverty on the educational achievement of children from low income households has led to the government implementing a number of targeted programmes. Key features of these are summarised below.

School Feeding Programmes

School feeding programmes have been established in Belize for a number of years. The NGO 'Plenty Belize' started providing high protein soya foods to schools in Toledo in 2001 with the school being responsible for meeting costs and volunteer parents undertaking the cooking. Subsequently the charity promoted the development of school gardens to provide some of the food needed under its Garden-based Agriculture for Toledo's Environment (GATE)¹²². By 2008, the programme had been extended to 32 schools¹²³. The Belize Church Association and the Rotary Club are also involved in school-feeding programmes.

In 2005, the government upped its commitment to school-feeding programmes¹²⁴. At this time, 95 of Belize's 282 (1/3rd) primary schools had some form of school feeding programme with students paying BZ\$1 per cooked meal (some needy children don't pay). The original thrust of the proposals was to immediately increase provision in Belize, Stann Creek and Toledo Districts but using healthy snacks (fruit and milk) rather than cooked foods. Simultaneously, proposals for a national programme covering

¹²² This approach harks back to the Rural Education and Agriculture Programme(REAP) of the 1980s which was discontinued in the early 1990s; www.plenty.org/projects.html.

¹²³ Whilst managed by Plenty Belize, GATE is a collaborative effort involving the District Education Department, the churches, PTA members, villagers, teachers, principals, students, local NGO partners, donors, and many individuals.

¹²⁴ http://www.governmentofbelize.gov.Bz/press_release_details.php?pr_id=3685.

all primary schools were to be prepared. There was a shift in emphasis for a poverty targeted programme to one that improved the nutritional status of all children. This commitment was reaffirmed in 2008¹²⁵, however, no information is available on the current status of this programme in terms of its coverage, finance and how it dovetails with existing NGO programmes. .

Free Textbooks

The government started supplying free textbooks to all school children for the 2007/08 academic year. This programme continues although it was subject to review in 2008 due to administrative and educational issues arising when it was first introduced.

Start-up Subsidy

In 2008, the government introduced start-up subsidies of BZ\$300 to needy and deserving students starting secondary school in order to defray the cost of school fees. MOE estimates are that around 3,000 children benefited from this programme during the 2008-09 academic year. Criteria included household income and family size and applications needed to be completed by parents and endorsed by the school principal. In mid 2009, the Minister of Education announced that this subsidy would be provided automatically to all students graduating from primary school in Stann Creek and Toledo Districts¹²⁶. The need for applications would remain in other districts. Students receiving the subsidy in 2008/09 would receive the subsidy again in 2008/09 subject to a 90% assistance record and satisfactory academic progress.

6.3.6 Issues and Priorities

Current Ministry of Education priorities are:

- Expanding pre-school education for the disadvantaged.
- Providing preventive health care through the school system in disadvantaged communities.
- Reviewing the financing of the secondary school system with a view to increasing enrolment, especially for males who constitute a minority of secondary school pupils. Funding based on an enrolment basis is one alternative under consideration.

The Ministry also sees improving the quality of education in rural areas as a major issue. The problems are interlinked: the dispersal of settlements which has led to a proliferation of small primary schools; the often low quality of teachers who can feel isolated from their home communities, a lower perception of the value of education and the financial burden of paying for uniforms and school fees by poor families with little cash income (which then reduces funds for operation and maintenance), the lack of transportation which makes it difficult for children to travel more than a small distance (and for education staff to monitor school standards and troubleshoot problems)¹²⁷.

Policy initiatives being considered to address these problems include:

¹²⁵ http://www.governmentofbelize.gov.Bz/press_release_details.php?pr_id=4881.

¹²⁶ <http://www.7newsbelize.com/sstory.php?nid=13942&frmsrch=1>.

¹²⁷ This is particularly the case for secondary schools: in Toledo, there are only 3 secondary schools for around 50 primary schools compared to a national average of 6 but fewer classes.

- Financing secondary schools based on capitation grants.
- Expanding the school feeding programme.
- Introducing a Conditional Cash Transfer programme for poor families based educational attendance.
- Quality school initiative (school feeding, teacher training, gender equity etc).

6.4 Social Services

The main provider of government social services is the Ministry of Human Development and Social Transformation (MHDST). These services are mostly provided through the three departments:

- Human Services Department
- Women's Department
- Community Rehabilitation Department.

Total approved MHDST expenditure for 2008/09 was around BZ\$6.6 million¹²⁸ of which BZ\$1.8 million was spent on grants to the needy. In 2008/09, almost 90% of these grants were paid directly to institutions and organisations caring for the needy; little more than 10% (BZ\$220,000) was allocated for direct assistance to individuals.

6.4.1 Human Services Department (HSD)

This department is primarily concerned with the provision of services for families and children. HSD has 5 Units – administration, family support services, families in poverty, child protection, child placement/ fostering and human trafficking¹²⁹. HSD has two officers (trained social workers) in each district except Belize City where there are more, one dealing with community parenting education and one with all other matters. The following services are provided:

- Community-based educational services and public awareness programmes related to child and family issues.
- Case work and counselling services
- Child welfare services: child protection, placement and care.
- Institutional care for children, the homeless and the elderly.
- Financial assistance for the neediest.
- Research, planning, policy formulation related and advocacy related to individuals, families and children.

HSD works closely on a daily basis with a numerous agencies in the execution of its responsibilities in terms of running awareness and consciousness raising programmes and campaigns, and dealing with individual cases. These agencies include youth and women's groups, schools, NGOs (Red Cross,

¹²⁸ Around 6 times less than the amount spent on government pensions.

¹²⁹ Most of what follows is derived from the [Annual Report 2006](#) by the Ministry of Human Development.

Salvation Army), the Police, the judiciary and Belize Health services. Within its resource constraints, HSD upgrades the skills of its staff through short training course and workshops.

Community and Parent Empowerment Project (COMPAR)

COMPAR is one of HSD's main programmes combining mobilization and parenting education through the training of village and community leaders and parents. It is designed to *“provide communities and parents with the knowledge and skills necessary to take responsibility for the care, protection, survival and optimum development of their children as well as the provision of services to meet basic human rights for adults and children”*. In 2006, sessions were held in 270 locations and had a total participation of 4,460.

Parents Wrap-around Rovers Programme (PoWeR)

This programme got off the ground in 2007 and involves the provision of care, counselling and assistance to families in greatest need by a team of trained social mobilizers.

Early Childhood Stimulation

This is a relatively new programme which involves working with mothers of young children to encourage them to play with and generally interact with their child. The premise is that (i) children need stimulation in their early years, and (ii) that many young mothers, especially in poor rural areas, have little idea that either such stimulation is needed or how to provide it. The programme involves a trainer first working with the mother to show how to interact with the child and then paying return visits to check on progress. The programme has achieved excellent results but is resource intensive. An important feature was that participants were essentially self-selecting from within the community; respondents showing less interest in participating were not pressured into participating.

Family Support Services (FSS)

FSS is the entry point for all individuals and families requesting support from the Ministry. Services include information and referral, case management and counselling, and direct social assistance to *“prevent further family disintegration”*. In 2006, over 1,100 people contacted HSD, of which around half were from Belize City and around 15% each from Corozal, Stann Creek and Cayo. Only 5% were from Toledo and Orange Walk indicating a combination: (i) lower incidence of family issues, (ii) less effective HSD service provision, and (iii) a lower willingness to seek help. Of these 70% were provided with assistance, the nature of which is shown in Table 6.17. Most assistance is provided in kind (food, clothing, facilities, etc.). Over 1/3rd of the successful applicants received education assistance; only 32 families received cash assistance in 2006.

There is also a programme of regular social assistance to needy families and individuals. This programme currently pays BZ\$10 per week (\$40 per month) to a beneficiary which is low in comparison to the minimum food basket cost of around \$150 per month for an adult male. Recipients are also now expected to fulfil certain conditionalities relating to school attendance and health checks. The LSMS indicates that 1.7% of households (c. 1,400) had someone who received social assistance income which is close to the official estimate of 1,500 recipient households.

Table 6.17: Assistance provided to the Needy, 2006

Type of Assistance	No.	%
Educational	248	32%
Food	88	11%
Medical	62	8%
Burial	55	7%
Monetary assistance	32	4%
Fire	30	4%
Rent	22	3%
Baby items/ clothing	19	2%
Placement	10	1%
Other	207	27%
Total	773	100%

Child Protection Services (CPS)

CPS acts on reports of child abuse and neglect for those under 18 years so as to protect children from physical, emotional, sexual abuse and exploitation, to alleviate family dysfunction and for family preservation of high-risk families. Responsibilities extend to families with children in the custody of the Department with the aim of reuniting children with their families or placement in foster homes. CPS works in close collaboration with the Family Violence and Sexual Offence Units of the Police.

Although CPS activities are provided countrywide, their main focus is Belize City which accounted for 70% of all referrals for neglect abuse in 2006 (Table 6.18). Given that Belize City accounts for no more than 30% of the national population, this high degree of concentration, whilst reflecting a likely greater need for CPS services, also implies a degree of under-provision in other districts. Around half the referrals were for neglect, 30% for sexual abuse and the remainder for physical or emotional abuse. 219 referrals were made for other reasons: uncontrollable behaviour/ runaways, trafficking, custody reports and domestic violence; it is not, however, considered that reporting of these referrals is consistent between districts.

Table 6.18: Child Neglect and Abuse Referrals, 2006

Type of Abuse/ Neglect								Total	%
	Belize	Corozal	Orange Walk	San Ignacio	Belmopan	Stann Creek	Toledo		
Neglect/ Abandonment/ Wandering	437	18	21	25	20	13	12	546	50%
Sexual abuse	191	23	20	18	48	18	8	326	30%
Physical Abuse	120	6	10	20	24	13	10	203	18%
Emotional Abuse	20	5	NA	NA	NA	2	NA	27	2%
Total	768	52	51	63	92	46	30	1102	66%
%	70%	5%	5%	6%	8%	4%	3%	100%	

Box 6.1 summarised the characteristics of children referred to CPS for reasons of neglect and abuse in Belize City, as well as those of the perpetrators.

Box 6.1: Profile of Children Referred and Perpetrators

<p>Profile of Victims</p> <p>Age: mostly 10-14 years old followed by 5-9 years and 1-4 year olds.</p> <p>Age variation in reasons for referral (most prominent group)</p> <ul style="list-style-type: none">Abandonment: 1-4 years.Neglect: 5-9 years.Physical/ sexual abuse: 10-14 year olds <p>Ethnicity: mostly Creole.</p> <p>Sex: 61% female, 39% male.</p>
<p>Profile of Perpetrators</p> <p>Predominantly mothers and then fathers.</p> <p>84% living in the victim's household.</p> <p>Mothers are the most common perpetrator for all types of referral except sexual abuse where non-related persons are the most common perpetrator.</p>

Alternative Care Provision

Child Placement and Special Services is the main division responsible for foster care, institutional care, adoptions and international case work. In 2006, 146 children were in foster care with 110 families across the country. A similar number (157) were in institutional care in 8 institutions located in Belize, Cayo and Stann Creek districts. 122 children were adopted in 2006 of which a third were for families overseas (mostly the USA). Two further transitional homes to provide care for 18 teenagers who are wards of the state were opened in 2009.

The Good Samaritan is an overnight shelter providing hot meals and baths to around 18 homeless people who are indigent with no family support. The Golden Haven Rest Home houses 24 elderly residents. All these institutions benefit from numerous donations and volunteer services, especially from church groups.

6.4.2 *Community Rehabilitation Department (CRD)*

CRD's mission is the "prevention, rehabilitation and diversion programmes aimed at first time offenders and juveniles who have and/or have been convicted of minor offences; they do not work with those who were acquitted. Its primary activities are:

- Undertaking a national assessment of the juvenile justice system.
- Strengthening the juvenile justice system through legislative improvements.
- Assisting with the administration of juvenile court cases (1,144 in 2006, 495 pending)¹³⁰ through the provision of social inquiry reports. 106, mostly in rural areas were deemed 'uncontrollable'.
- Operation of the Youth Hostel residential facility for youths on remand - around 26 at any one time with an annual turnaround of about 150). Other smaller facilities for older children have been established in Belize and Cayo.

¹³⁰ Just under 20% of cases resulting in one of the following outcomes: incarceration, probation, community service orders. The remainder resulted in dismissals, fines or 'bound over' decisions.

- Establishing psychosocial response teams in four districts.

In addition to these functions, the Belize CRD office acts as a drop-in centre for its clients to whom it, on occasion, provides emergency assistance¹³¹ as well as acting as a referral point to HSD. An increasing number are coming for educational assistance, implying both increasing poverty and a desire to attend school. Box 6.2 summarises characteristics of CRD clients.

Box 6.2 Characteristics of Juvenile ‘Clients’ of CRD

<p>Trends</p> <p>Increasing in number. Getting younger – 14-15 year olds charged with very serious crimes with some under 12. Offences more serious: previously drugs, now violence.</p>
<p>Causes</p> <p>Poverty (often severe with inadequate food, few clothes) resulting from single parenthood, lack of parental employment Lack of relationship with father. Poor literacy skills (no books at home) and learning difficulties (AHDT, dyslexia, dyspraxia) allied to inadequate special needs education.</p> <p><u>Exacerbated by:</u></p> <p>Inadequate family support services. Technical / vocational courses too expensive. Lack of after school programmes Day/ night care too expensive for parents leading to lack of parental supervision/ support. General decline in family/ community support.</p>
<p>Could be alleviated by:</p> <p>Greater collaboration with NGOs addressing the same issues. More specialist- trained staff. Payment of school fees in installments. More flexible justice system.</p>

Source: Interview with CRD, February, 2009.

CRD consider that they are as effective as their limited resources allow them to be. Lack of funds restricts staff training and causes problems with transportation (especially outside Belize). Starting salaries are low (BZ\$1,080 per month) yet the job is very stressful. Previously funding was obtained from UNICEF (for the psycho-social team) and the US Military Liaison office for the refurbishment of the Youth Hostel.

Priorities for the Department are considered to be: (i) ensuring that there is at least one Community Rehabilitation Officer in each district, (ii) increasing staff training, (iii) appointing an attorney to the Ministry to represent juveniles.

6.4.3 Women’s Department (WD)

The WD’s primary objective “*is to promote gender equality and equity thereby enabling women to be actively involved in all benefits of development*”. The principal programme areas are: family strengthening, policy development and advocacy and public awareness, and resource development. The principal activities conducted under these 4 programme areas in 2007 are shown in Table 6.19.

¹³¹ This is extremely limited; the budget for this service only amounted to \$1,500 in 2008 and most clothing are cast-offs obtained from any possible source.

Table 6.19: Women’s Department Activities, 2007

Programme Area	Activities
Family Strengthening	Skills training, entrepreneurship and empowerment programmes (e.g. sewing, cosmetology, house keeping, child care, small business management): c. 450 participants. Often targeted at single mothers. Belize training courses were always full, despite need for small financial contribution. Personal development sessions: gender sensitization, HIV/AIDS/STIs, gender-based violence, also self-esteem, child abuse and sexual harassment: c. 9500 participants. Gender Awareness Safe School Programme (topics as above): c. 1,500 participants.
Legislation and Policy Development	Advocacy for gender sensitive policies, plans, programmes and projects with particular emphasis on the enactment of the Domestic Violence Act.
Advocacy and Public Awareness	Major campaigns: International Women’s Day and Activism against Gender-based Violence. Case management and client support: information, counselling, referrals and court advocacy for around 3,700 individuals. Minimal emergency social assistance sometimes provided. Case loads are increasing. Strengthening women’s groups. Publications.
Resource Development	Seeking outside funding for activities: in 2008, BZ\$200,000 was raised (GF for HIV/AIDS) to supplement similar from govt.

The Table shows a combination of pro-active (training, advocacy etc.) and reactive (case work) activities. WD considers that skills training for women and their economic empowerment can contribute substantially to poverty reduction by providing women with income earning ability to counter the adverse impact of male unemployment and family breakdown as well as becoming less tolerant of domestic violence.

The WD works closely with the Haven House Shelter for Battered Women to refer priority cases there but transfers are often impeded through lack of vehicles and liquid cash to cover related logistic expenses. They have identified two properties for potential use as Transitional Houses but lack of resources is preventing their repair.

The WD sees increasing activities for rural women as the priority but this requires a different type of training programmes. They see Toledo as the biggest challenge due to women there finding it harder to leave the home to attend training and personal development courses. Like CRD, they see the appointment of a full time legal adviser.

In the longer term they would like to become a true Gender Affairs Department whereby they address male issues as well as those of women. However, they would not want to do this until they had the resources to provide effective support to men seeking assistance.

As with other departments, their biggest constraint is the lack of funds which means that they have to actively seek additional resources through donations, volunteers, internships and grants from donors for identified projects, as well as donate personal time to their jobs.

6.4.4 Overview of MHDST Activities

Social services provide by MHDST are comprehensive in the sense that they cover all the most vulnerable groups: women, children and youths and the elderly in urgent need of assistance. They also

address the key issues: severe poverty, domestic violence, physical and sexual abuse and neglect of children, family breakdown, those in trouble with the law. District offices are established in all regions although some of these are not fully staffed. Activities are also diverse and varied including both pro-active and remedial programmes:

Pro-active programmes: public awareness campaigns (HIV/AIDS, domestic violence, drug abuse), lobbying and advocacy, skills training, empowerment, parenting, personal development.

Reactive programmes/ activities: information and referrals, case work (families and individuals), residential care/ refuges, legal advocacy and support, direct assistance (in cash or kind).

Staff frequently liaise and network with other agencies (e.g. health, education, the courts and the police). Staff are highly dedicated and often devote personal time to their jobs; staff skills are upgraded whenever possible. There is a substantial degree of confidence that they are doing the 'right thing'.

Comments on programme effectiveness were made during the Round Table on social issues held in September 2009. These comments included: (i) programmes were generally soundly-based but were hampered by lack of technical and financial resources - a drop-in centre had seen demand quadruple with long waiting lists; (ii) there were insufficient follow up surveys; (iii) programmes could be too utopian and wide-ranging with a constant need for 'tweaking'; (iv) rapid scaling up of programmes should be avoided as this often gave rise to a loss of quality or a failure to adapt to differing circumstances; (v) social programmes needed to be very specifically targeted and carefully designed - there should be more action at the community level but with a micro-approach (i.e. working with individual households); (vi) there was overlapping and duplication arising from a lack of co-ordination.

Overall, despite a comprehensive range of programmes, all departments suffer from a chronic lack of resources both in terms of inadequate staffing levels to deal with increasing caseloads, and insufficient funds for transportation (crucial for working in rural areas), phones and fuel. There is little funding to provide emergency assistance (in cash or kind) to even the most needy. As a result, activities are heavily constrained and departments have to encourage donations, volunteer activities, and continually seek outside funding to support one-off projects. There is also little in the way of direct social assistance: under 2% of households are recipients (by no means all of whom are poor) and the benefits provided are low relative to the cost of the Minimum Food Basket.

In addition to generally increasing current activities and resources, i.e. 'more of the same', priorities are seen as:

- Ensuring representation of all departments in all districts by ensuring that any vacancies are promptly filled.
- Extending social service coverage to rural areas, especially Toledo, through outreach activities.
- Establishing transitional houses for victims of domestic violence and youths in trouble with the law.

Potential recommendations, assuming that significant increases in finance from government are likely to be very limited are:

- Increasing budgets to provide increased resources for transportation and other operating expenditure.

- Lobbying donors to switch from one-off project aid to provide longer term, secure programme aid.
- Whilst inter agency co-ordination and networking appears to be reasonable, discussions could be undertaken to assess the potential for further improvements, e.g. quicker reporting of persons, pooling of resources in help points/ drop in centres /other outreach facilities, avoidance of duplication of activities. Greater involvement could also be sought from other ministries in terms of identifying children (and women) at risk from violence and neglect.
- Holding workshops and discussions to identify best practice and most successful programmes and activities, especially in relation to awareness raising, skills training and empowerment/ life skills training.
- Establishing a centralised unit to prioritise projects, prepare funding proposals and lobby donors.

6.5 Belize Social Security Board (BSSB)

6.5.1 General

Social security in Belize dates from 1981 when the Social Security Board (SSB) was established. Benefits became payable a few years after and the system has been developed since then. Registration and contributions are compulsory for most employees but voluntary for the self-employed with no paid employees and those outside the labour force. Registration is encouraged to facilitate the making of contributions in the future.

In common with most social security schemes, the SSB scheme provides long (i.e. old age, survivors, and invalidity pensions) and short (i.e. sickness, work injury and maternity) benefits; unemployment benefits are not provided. Contributions are made by both employees and employers. The total contribution is 8% of gross salary, with employers paying proportionately more for those on lower incomes. Total contributions just exceeded BZ\$50 million in 2005.

In 2000/2001 there was a major programme to encourage registration of children and newly born with the result that 65,000 new registrations occurred in 2001 and 2002. For the following three years, new registrations stabilised at 13-14,000 annually¹³². In 2005, over 60% of the population was registered with 70% being of working age and most of the rest being minors.

Those actively insured, i.e. actually making contributions, are, however, much less and amounted to just over 71,000 in 2005, equivalent to around 72% of those employed. The actively insured were employed in around 8,800 businesses. Participation was similar for men and women and was highest in Belize City (urban), Corozal and Stann Creek (plantation agriculture).

Table 6.20 summarises key SSB statistics in 2001 and 2005. Total expenditure on benefits was around BZ\$24 million in 2005, half of which was for long term benefits, one third for sickness and maternity benefits and the remainder for employment injuries and disablement. Almost two thirds of all claims were for sickness benefits for which an average BZ\$219 payment was made.

¹³² Unless stated all statistics are from BSSB, 2005, Statistical Abstract 2005, Belmopan. More up to date information is not available.

In 2005, 2360 persons (two thirds aged 65 years and over) received old age pensions; 1,588 received survivor's pensions and just under 700 received invalidity or disablement pensions. Average monthly pension payments were \$244 for old age, \$100 for survivors, \$327 for invalidity and \$216 for disablement. The number of old age and survivors' pensioners is increasing by 5-7% annually – a trend that is likely to continue as the population ages and increased numbers of retirees eligible for SSB pensions both increase. By 2007, the number of SSB retirement pensioners had increased to 2,737 and the average monthly pension payment to BZ\$270.

Nevertheless, coverage remains low with only 10-15% of the elderly (60+ years) currently receiving SSB pensions. SSB's priority is, therefore, to increase coverage of rural areas and self employed workers although they recognise that this is a difficult task.

Table 6.20: Social Security Statistics, 2001-2005

Type of Benefit	2001	2005	2001	2005	Distribution		Average Annual Change		Average Payments (BZ\$)	
	BZ\$		Beneficiaries		% of Exp.		% per annum		Grants/ one off payments	Monthly
Short term	4,913,453	7,912,056	13,091	25,124	33%	78%	12.6%	17.7%	na	na
Sickness	2,471,184	4,412,500	8,789	20,674	18%	64%	15.6%	23.8%	219	na
Maternity Allowance	1,457,171	2,506,045	1,032	1,185	10%	4%	14.5%	3.5%	1,932	na
Maternity Grant	985,098	993,511	3,270	3,265	4%	10%	0.2%	0.0%	304	na
Long term	8,656,782	12,411,847	3,773	4,787	51%	15%	9.4%	6.1%	na	na
Retirement Pension*	5,554,636	7,873,354	1,799	2,360	32%	7%	9.1%	7.0%	2,921	244
Survivors Pension*	1,668,597	2,409,361	1,276	1,588	10%	5%	9.6%	5.6%	703	100
Invalidity Pension*	837,453	1,459,284	200	310	6%	1%	14.9%	11.6%	5,853	327
Funeral grants	596,096	669,848	498	529	3%	2%	3.0%	1.5%	1,266	na
Employment Injury	6,406,326	3,931,361	3,023	2,163	16%	7%	-11.5%	-8.0%	na	na
Injury	4,172,056	1,909,623	2,537	2,020	8%	6%	-17.7%	-5.5%	945	na
Disablement	1,775,223	1,414,791	331	371	6%	1%	-5.5%	2.9%	2,733	216
Death	445,547	602,447	325	332	2%	1%	7.8%	0.5%	na	129
Funeral	13,500	4,500	10	3	0%	0%	-24.0%	-26.0%	1,500	na
Total**	19,976,561	24,255,264	19,887	32,074	100%	100%	5.0%	12.7%	na	na

* Grants and regular monthly pensions.

** Excluding NHI and Non Contributory Pension.

Source: Consultants derived from SSB, Statistical Abstract, 2005, Belmopan

6.5.2 The Non-Contributory Pension (NCP)

The NCP was introduced in 2003 in order to provide a minimum income for elderly persons with no other source of income. At present, the programme is entirely funded from SSB resources. Eligibility criteria are as follows:

- Possession of a valid Social Security card;
- Is a female sixty-five (65) years or older on the appointed day on or after 1st April 2003, or a male sixty seven (67) years or older on or after 1st December 2007 (prior to 2007, males were not eligible for the NCP);
- Is a citizen or permanent resident of Belize; and
- Has inadequate or no source of income (based on the 2002 poverty lines established by that year's CPA).

Eligibility is checked through an application form and home visits. In November 2007, the NCP pension was raised from BZ\$75 per month to BZ\$100 per month – not enough to meet minimum food needs for an elderly person. In comparison, the minimum normal SSB pension is BZ\$188.

As of early 2009, over 4,000 persons were receiving the NCP of which around 2/3rds were women. This outnumbers those receiving SSB old age pensions but is similar to the total number of SSB pensions when survivors and the disabled are included (Table 6.21). Ignoring the sharp increases in 2004 and 2007, the annual increase in take up for women appears to be stabilizing at slightly under 3%. Total expenditure in 2008 is estimated to be in the order of BZ\$4.8 million.

Table 6.21: Recipients of Non-Contributory Pensions, 2003-2008

Year	Females	Males	Total	Annual change %
2003	1494	0	1494	
2004	2402	0	2402	61
2005	2455	0	2455	2
2006	2615	0	2615	7
2007	2755	1432	4187	60*
2008	2689	1346	4035	-4
By SSB branch office				%
Corozal	401	231	632	16 (11%) **
Orange Walk	504	356	860	21 (15%)
Belize City/ San Pedro	653	205	858	22 (30%)
Santa Elena/ Belmopan	598	290	888	22 (24%)
Dangriga/ Independence	278	124	402	10 (10%)
Punta Gorda	255	140	395	10 (9%)

* Males became eligible in this year.

** Figures in () show distribution of population

Source: SSB.

The distribution of NCP recipients by branch office is broadly in line with the distribution of the population which is encouraging as it demonstrates an even geographic coverage of recipients. There are however, issues of concern¹³³:

- The difficulty of ascertaining applicant's incomes which means that a number of beneficiaries may be obtaining the NCP despite having significant other sources of income;
- The outdated poverty lines;
- The perception that the NCP is available to all elderly persons irrespective of their income;
- The impact on SSB financial sustainability.

Arising from these concerns, the supervisory committee made a number of recommendations which, in summary, are:

- Some funding from GoB to reduce the burden on SSB;
- More thorough investigations of applicant's circumstances, with assistance from MHD;
- Tighter eligibility criteria: only one NCP per household,
- Permanent residents to become eligible after 5 years of permanent residency;
- Review of income criteria based on the poverty lines contained in this study;
- Extending the age criterion for females to 67 years to achieve gender parity;
- To implement a public information campaign to better inform and educate the public on the intended purpose of the program, its qualifying conditions and application process.

6.5.3 *SSB Investments*

SSB invests a large part of the income it receives from contributions. Current investment policy is to minimize the risk to SSB's income. Its investment policy is thus conservative with most of its funds currently invested in government bonds and fixed income funds. This contrasts with the policy of the previous administration which was to invest in a wide range of sectors and companies (in 2005, over a quarter was invested in housing projects). This more aggressive policy, allied to some dubious loans, resulted in major losses to SSB – hence today's more conservative approach.

6.6 *The Police*

The LSMS provides some data on the incidence of crime in Belize:

- Around 11% of households in Belize reported being victims of a crime in the previous year. The incidence was similar in poor and not poor households. This is over 3 times the rate experienced by the British population¹³⁴.
- About a third of these households had experienced more than 1 crime.
- 64% of crimes were thefts/ burglaries; 28% involved actual or threatened physical violence, almost half of these were by persons known to the victim.

¹³³ SSB/ Non-Contributory Pension Committee, 2008, *Non-Contributory Pension Program, 4th Annual Report- April 1st 2007 to March 31st, 2008.*

¹³⁴ British Crime Survey, <http://www.homeoffice.gov.uk/rds/pdfs09/hosb1109vol1.pdf>

- Just over half were reported to the police. 2/3rds commented on the police handling of the case of which 2/3rds were satisfied with the police response. The main reasons for not reporting were 'no proof' (19%), 'waste of time' (31%).

Police data on reported major¹³⁵ crimes for 2001 to 2007 is summarized in Table 6.22 and Figure 6.7¹³⁶.

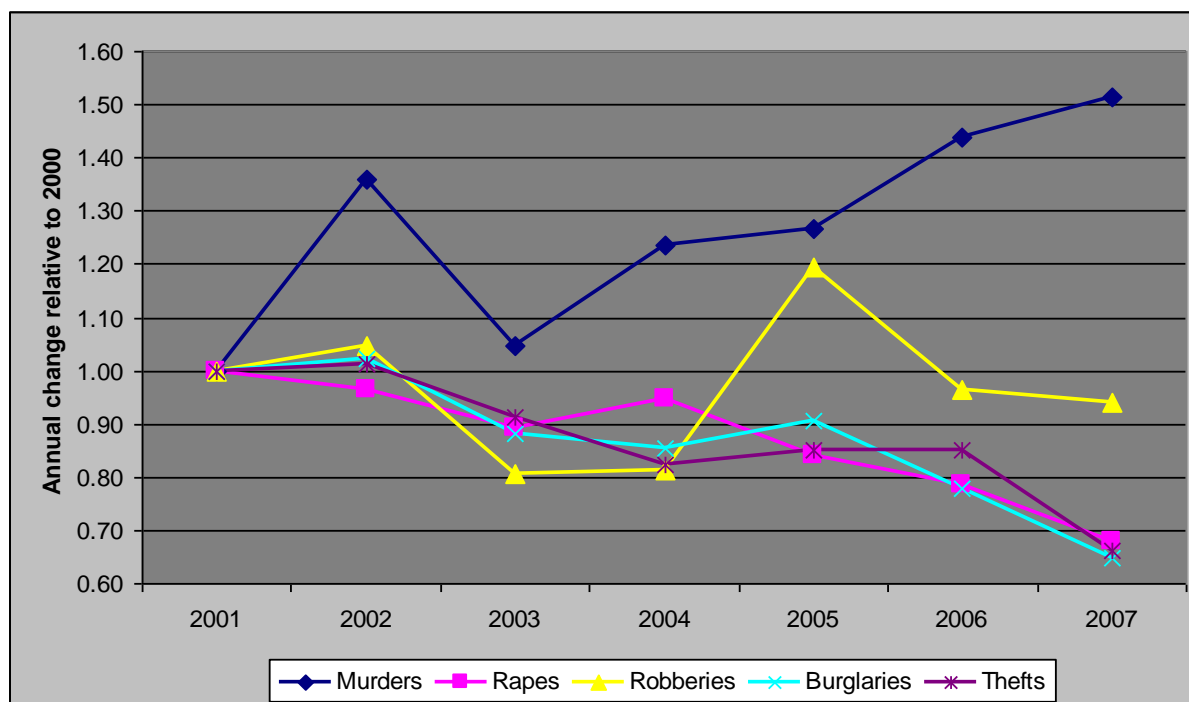
Table 6.22: Major Crime Statistics, 2000 to 2007

Year	Violent crimes		Property crimes			Total
	Murder	Rape	Robbery	Burglary	Theft	
2001	64	56	546	1,942	1,866	4,474
2002	87	54	571	1,986	1,886	4,584
2003	67	50	441	1,713	1,704	3,975
2004	79	53	443	1,662	1,536	3,773
2005	81	47	653	1,758	1,587	4,126
2006	92	44	526	1,514	1,587	3,763
2007	97	38	514	1,256	1,233	3,138
Ratio 2007/2000	152%	68%	94%	65%	66%	70%

NB. Not included in these statistics are the number of reported domestic violence cases which stood at just under 1,000 between 2004 and 2006.

Source: Belize Police Department.

Figure 6.7: Major Crime Trends, 2000 – 2007



¹³⁵ I.e. Murder, rape, robbery, burglary and theft. The following offences are not considered to be major crimes: drugs, shootings not resulting in death, firearms, assaults, attempted major crimes

¹³⁶ There are actually two sets of crime data, from SIB as published in their Annual Statistical Abstracts and from the police as published on their website, <http://www.police.gov.Bz>. The two series are generally similar but there are differences in that SIB data includes manslaughter and indecent assault whereas the police data has only done so since 2005. The Police information is used here as it provides the most consistent series.

Although the data shows decreased for all major crimes except murder, data for 2009 suggest increases in murders (29%), robberies (22%) and thefts (13%)¹³⁷. On this basis, the number of murders in 2009 is more than 50% higher than in 2001. The murder rate in Belize (31 per 100,000 population) is now one of the highest in the world with Belize ranking 13th out of 141 countries for which data is available¹³⁸. Around half the murders occurred in Belize City (30% of the population) with most taking place in the South Side area (40% of the country's murders occur in this area). In addition, in the first half of 2008, there were another 48 murders, 42 shooting incidents (additional to those included in above statistics) and 80 firearms offences. Motives for the murders included robbery, altercations/ disputes and feuds, drug dealings and domestic disputes; much of it is gang-related.

SIB data on the age of convicted and imprisoned criminals from 2002 to 2007 shows little change in their age pattern¹³⁹. Anecdotal evidence¹⁴⁰ suggests however, that increasing numbers of youths (under 20 years) are becoming involved in major criminal activity. Police data on all crimes committed by youths saw a rise between the last 5 months of 2007 and the first three months of 2008 (Table 6.23).

These data do not however, capture the overall impact of crime. In particular the feeling of insecurity resulting from living in an area, such as Belize Southside, where crime is endemic results in a substantial increase in vulnerability and community decay.

Table 6.23: Youth Crime, 2007 and 2008

Type of Crime	Whole Period		Monthly Average		% Change
	Aug. to Dec. 2007	Jan. to March 2008	End 2007	Early 2008	
Major crimes	120	59	24	20	-17%
Other crimes*	218	198	42	66	+58%
TOTAL	328	257	66	86	30%
Committed by under 15s	82	78	16	26	63%

* Including assaults, woundings, causing harm, indecent assaults.
Source: Belize Police Department Website.

6.6.1 The Belize Police Department (BPD)

The BPD's jurisdiction encompasses the entire country. There are currently approximately 1,200 sworn law enforcement officers and 700 civilian employees in the department. These police officers are assisted by dedicated Special Constables, civilian staff members and Community Support through the Citizens on Patrol (COP) and Neighbourhood Watch programs. The policing level is considered to be average at 1 per 250 persons.

The Policing Plan 2006-2010 identifies the following Strategic Priorities: increasing the effectiveness of preventive patrols; improving traffic and road safety; continuing to target drug traffickers, trans-national and organized crime; improving investigative procedures to increase detection and conviction of

¹³⁷ <http://www.7newsbelize.com/sstory.php?nid=15387&frmsrch=1>

¹³⁸ Wikipedia, http://en.wikipedia.org/wiki/List_of_countries_by_intentional_homicide_rate.

¹³⁹ AoS, 2008, Table 13.4.

¹⁴⁰ Discussions with Police and HSD.

offenders; improving morale and welfare of all members of the department in order to deliver a more efficient and professional level of service to the community; enhancing overall quality of service to foster better support and cooperation from the public.

While BPD adopts a strong, often armed response, approach to law enforcement¹⁴¹, it increasingly recognises the need for preventive measures within the overall banner of Community Policing. Community policing involves working in partnership with local communities on issues such as juvenile offences, misuse of drugs and alcohol and other social issues and pressures faced by young people today. Community policing was first introduced by BPD in 1991 with a focus on involving citizens and businesses in crime prevention activities. More recently, BPD has adopted a more proactive approach of engaging with groups at risk of falling into crime. Current initiatives include the following:

The Yabra Community Policing Centre

The Yabra Community Policing Centre is BPD's most important outreach initiative. It is located in the heart of Belize Southside and was established as a direct response to the pleas of often grieving parents alarmed at the increasing violence and rising crime in the area (more detail is provided in the next Chapter).

Zone Beat Liaison Officers Programme(ZBLO)

The concept of the ZBLO programme is to enhance and improve Community Relations and Law Enforcement through proactive policing. The basic objective is to identify crime and social problems which can either be directly acted on or referred to the relevant agencies. ZBLOs also work very closely with schools and parents in addressing school-based problems, e.g. theft, fighting, drugs, firearms. In Belize City, a full time counsellor is attached to this unit.

Police Crime Prevention Educational Programme (PCPEP)

The Police Crime Prevention Educational Programme commenced in 1991. Police officers make presentations in schools on topics such as sexual abuse, domestic violence, handling stolen goods, theft/ burglary/ robbery. PCPEP is aimed at providing students with knowledge of the law, police procedures and other matters that are affecting youth in Belize - discipline, absenteeism, behavioural problems.

Police First Offenders Program

The programme also commenced in 1991 and is aimed at assisting primary and secondary school students who got into trouble with the law for the first time by enabling them to undertake a punishment at school instead of being arrested and taken to court by the police, provided that the offences are relatively minor.

Police Citizen Liaison Committees (PCLC)

The objective is to set up a Committee of local police and members of the community to come together regularly to identify and discuss local problems and concerns, develop better police and community relations, to find ways of how the police and the community can work in partnership to solve the

¹⁴¹ Also often working with personnel from the Belize Defence Force (BDF).

problems identified, and to improve the image of the Police Department. PCLCs now operate in San Ignacio, Corozal, Orange Walk, Punta Gorda, Dangriga, Independence.

Citizen on Patrol (COPS)/ Special Constables Programme

The Citizen on Patrol programme was introduced into the BPD in late 2005. The function of the Citizens on Patrol is to observe and report suspicious circumstances and criminal violations within their assigned area of responsibility. COPS now operates in Orange Walk, Corozal, Belmopan and Benque Viejo with further expansion planned. COPs have no law enforcement or powers. The Special Constables Programme is similar to COPS except that participants undergo more extensive training, work more closely with police officers and have powers of arrest.

Belize Police Youth Cadet Corp (BPYCC)

The BPYCC was established in 1994. It now has over 600 members aged 8 to 17 years (boys and girls). The programme is aimed at improving the discipline of youths through participation in structured physical activities, community service and educational activities.

Drug Abuse Resistance Education (DARE)

BPD, along with many other countries, operates a DARE programme. DARE programmes are classroom given, police-led lessons given to all school years. Their main objective is to reduce drug usage but they also have a valuable function as teaching students “*good decision making skills to help them avoid high-risk behaviour to ensure they grow up healthy, safe and secure*”¹⁴².

Issues and Priorities

The Police are adamant that the crime problems of the country cannot be resolved by conventional preventive policing and zero tolerance. They see the causes as being deep-seated, complex and inter-related where continued poverty and lack of employment prospects over a prolonged period have led to a process of social decay in areas such as Belize South Side¹⁴³. Allied to the influx of money and arms from drug traffickers, this has resulted in a now deep rooted gang and crime culture¹⁴⁴ which has been present for over 10 years. Family issues such as domestic violence, teenage pregnancy and single parenthood exacerbate the situation by further reducing families’ ability to generate sustainable incomes. The result is increasingly vulnerable and insecure communities.

The necessary social programmes to counteract these trends are been missing; some are underfunded, or are not reaching the target groups. As a result, BPD has taken on several functions more normally associated with social service departments: drop-in centres, delivering awareness programmes in schools and running parenting classes. The Police consider that, given communities’ anxiety about violent crime and their wish for increased policing, the linking of policing with social programmes is logical and would like to see this linkage strengthened with more police trained in social work activities. The main constraints on this approach are constrained resources and the need for other agencies to accept that the

¹⁴² <http://www.dare.com/home/default.asp>

¹⁴³ There is anecdotal evidence that other towns are beginning to experience heightened crime levels.

¹⁴⁴ The severity of the situation can be gauged by the fact that the BDF has a permanent presence in Belize South Side.

police have a role in reducing antisocial and criminal behaviour that extends beyond normal policing activities. At present, inter-agency co-ordination occurs mostly informally with no long term strategy and often in the context of different agencies competing for funds.

Essentially the Police believe that a national strategy is crucial headed by a Task Force including themselves and the Ministries of Education, Health and Human Development based on the NEMO (National Emergency Management Organisation) model. A primary focus would be to increase interventions in schools. In essence, this is similar to the inter-agency approach recently advocated by Dr Kenneth Gale¹⁴⁵, the Caribbean's leading expert on youth violence.

6.7 Youth for the Future (YFF)

6.7.1 Activities

YFF (previously YFTF) is a youth centered agency with the prime responsibility is the empowerment of youth (15-29 years), especially young men, to become productive citizens and fully participate in civil society through the provision of counselling, training and job placement services¹⁴⁶. It falls under the Ministries of Defence, Housing, Youth and Sports. Originally established in 2002, it has been revamped by the new government. It has three main strands of activity: violence reduction, HIV/AIDS, youth governance and youth enterprise. The principal activities under each of these strands are summarised in Table 6.24. In addition to these ongoing and planned activities, YFF also administers the National Cadet Corps and 4H-Agriculture programmes. The latter is designed to provide school drop outs with agriculture and cultivation skills.

6.7.2 Issues and Priorities

Like other agencies involved in youth work, YFF sees the main problems facing youth as the lack of jobs and poverty which mean that antisocial, drugs and criminal behaviour can appear as attractive coping strategies. The number of daily drop-ins shows that many youths are not work shy and want to be able to be productive. Other problems are the lack of parental guidance which leaves them lacking in motivation and social skills, and peer pressure which encourages mischievous behaviour and makes being studious 'uncool'.

Current challenges include equipment and transport. With appropriate computing facility and transport vehicle the outreach could be effective and efficient. With additional funding YFF/YEU could train youth in-house (computer) and establish enterprise clubs for young people for information and skill exchange.

Funding is a major issue and much time is taken up with preparing proposals and securing funds from national and international agencies: EU, SIF, UNICEF, UNPFA, GEF, BCCI and others. This detracts from time spent on programme delivery and makes it hard for them to respond to increasing demands, especially from residents in violent areas requesting YFF involvement. Increased funding would also

¹⁴⁵ "It requires policymakers to sit down together and think through this thing. Not a single Ministry but everybody coming together. There are eight Ministries immediately impacted by violence and those people need to come together and work together. Ministry of Youth, Education, Health..."; <http://www.7newsbelize.com/sstory.php?nid=15387&frmsrch=1>

¹⁴⁶ The Conscious Youth Development Programme provides similar training activities for men and women aged under 30 years.

enable them to improve their monitoring activities, e.g. characteristics of participants, job placement information and follow-up surveys. Specific suggestions made were:

- Initiate job seeking activities prior to release/ parole of youths in trouble with the law.
- Provide social assistance to families of released prisoners.
- Provide stipends for those attending youth training courses to increase attendance by those currently precluded from attending due to lack of funds.
- Revitalise sports and recreational activities.

Table 6.24. YFF Activities, 2008/10

YFF Strand	Main Activities (ongoing and planned)
Violence Reduction	<p>Establish links and co-ordinated activities with agencies including police and MHDST.</p> <p>Launch national campaign against crime and violence.</p> <p>School training/ presentations/ dramas on bullying, conflict resolution, anger management and decision making</p> <p>Train teachers to recognise signs of child abuse.</p> <p>Develop school suspension programme (report cards).</p> <p>Work with out-of-school children to secure placements into schools, mentoring and alternative rehabilitation programmes.</p> <p>Secure employment for out-of-school youths who have some skills training.</p> <p>Provision of emergency food parcels.</p>
HIV/AIDS	<p>Enhance and staff skills related to HIV/AIDS, STIs, SAD, risk reduction.</p> <p>Plan and co-ordinate activities with other concerned agencies.</p> <p>Publicise YFF activities especially in relation to HIV/AIDS, STIs.</p> <p>Design and implement awareness campaigns.</p>
Youth Enterprise (Youth Employment Unit - YEU)	<p>This small unit works with youth aged 15-29 providing counselling, training and job placement services:</p> <p>Training courses in life skills, IT, job preparedness (attitude, interview technique, dress codes). 50% of cost must be provided by participant. Life skills courses last 10 weeks of 20 hrs per week. The target is to sign up 25 youths for each course. Job-preparedness courses are for drop outs who are provided with 3 months of training and then 3 months of mentoring; about 20 youths per month receive this programme.</p> <p>Develop links with potential employers. The job preparedness course is considered to be the most successful.</p> <p>Identify small enterprises which could provide mentoring for traditional skills training.</p> <p>Establish a bicycle repair workshop.</p> <p>Secure jobs for youths: 238 placements made in 2008 to wide variety of employers – construction, transportation, security, call centres – yet they get 200 enquiries per day for jobs.</p> <p>Provide training to inmates and those recently released.</p> <p>Assist job seekers, youths who have complete high school, in filling out job applications.</p>
Youth Governance	<p>Lobby for the approval of the National Youth Development Plan.</p> <p>Develop structure for national youth council.</p> <p>Establish a network of youth groups.</p> <p>Develop (with SIF) youth sub-component of social development plan for Belize South Side Project.</p> <p>Promote and expand sporting activities.</p>

Source: Interviews with YFF and YRU; YFF, Work Plan, 2008-09.

6.8 NGOs working on Women and Child Issues¹⁴⁷

6.8.1 Women's Issues Network (WIN)

WIN is an umbrella organisation created by coalition with 15 organisations. WIN is administered by a Board comprising chosen members from the member network organisations.

WIN works mainly on advocacy, education and institutional capacity building for matters relating to women (health, education, etc.). Funding sources are varied, such as GoB, membership fees, NGO grants (such as from UNDP, HIVOS, and UNIFEM). Although identification of funding agencies has not been a major issue so far, it is likely that the current economic climate may have an impact on donor NGOs and agencies, thus impacting WIN operations.

Other programmes include institutional strengthening of WIN, such as enhancing the capacity of its board members to help them sustain funding streams (for example, grant proposal writing training).

Enhancement of existing programmes may be achieved by introducing regular monitoring and evaluation and by increasing collaboration between and among groups.

6.8.2 National Organization for the Prevention of Child Abuse and Neglect (NOPCAN)

Founded in 1992, the organisation works on issues relating to child abuse, adolescent pregnancy, crime, and juvenile delinquency through advocacy, awareness, education, research and legal forums. Main areas of focus are child rights and child abuse. Excluding programme-specific grants, NOPCAN's 2008 budget was BZ\$67,000.

NOPCAN runs various programmes, such as supporting families in violation of child rights; legislative advocacy for child protection and for juvenile justice; and helping prevent child abuse (violence as well as sexual abuse). NOPCAN collaborates with MHDST, NCFC and other service providers for various programmes. NOPCAN is supported by number of volunteers. The most important programmes are:

- Providing support for families in violation of child rights by collaborating with Social Service Department and other service providers: providing parenting education to clients referred, monitoring foster homes, and engaging staff and children of child care institutions in personal and social development activities. At least 70% of clients referred exit satisfactorily from these programmes. The collaboration with various partners helps provide a continuum of care for children and families affected by abuse. The budget for this programme in 2008 was BZ\$230,000 and about 350 people participated in the programme. This programme is, however, heavily dependent on volunteers, which restricts its effectiveness.
- Advocacy related to child protection issues: legislative strengthening, public awareness, training of care professionals, and outlawing of corporal punishment against children, undertaken in collaboration with NCFC and social sector partners.

¹⁴⁷ The NGOs whose activities are described in the following sections are not the only ones operating in Belize but their activities and the issues raised are considered to be broadly representative for those whose activities have not been investigated.

- Elimination of all forms of physical and humiliating punishment of children and providing alternatives. Achievements include: training of over 6,500 teachers, child care professionals and parents in alternatives to corporal punishment; establishment of national mentoring programme for young boys; training of 15,000 children on how to protect themselves against sexual abuse; formation of a “*Men Promoting Fatherhood*” national movement; support to 150 travel and tourism businesses to apply the Code of Conduct to prevent commercial sexual exploitation of children. The total budget in 2008 was BZ\$63,000. NOPCAN consider this to be their most successful programme.

NOPCAN sees the key issues as being the ignorance of children’s rights and the different types of child abuse that exist. However, it also comments that problems increase with a struggling economy. Although the incidence of these problems appears to be increasing, they believe that this is likely to be due to increased public awareness and reporting (a similar situation to gender-based violence).

NOPCAN monitors and evaluates its programmes, and collaborates and networks with government and NGOs. It considers its programmes to be ‘*very effective*’ but ‘*much more is needed*’ through the extension and continuous refinement of existing programmes, as well as institutional strengthening and greater inter-agency collaboration.

6.9 Organisations for Older Persons and the Disabled

6.9.1 The National Council for Ageing (NCA)

The National Council for Ageing is an advocacy and coordinating body which facilitates the development and implementation of plans and programmes to ensure the protection of the basic human rights of older persons. The coordinating role of the NCA is executed through a small secretariat of paid personnel. Service provision, generally speaking, to the poor and the needy, is the responsibility of the agencies making up the NCA’s membership. NCA has undertaken, or been instrumental in setting up, the following, all of which are considered to have been effective:

- The Golden Years Radio program, which is aired every fortnight on LOVE FM Radio and focuses on issues and concerns of older persons.
- The VOICE Organization (see below), which has a mandate to protect and advocate for the rights of older persons countrywide.
- An Awards/Recognition Ceremony for older persons who have contributed in the past towards the development of their communities, through voluntary service.
- A situational analysis currently being undertaken with assistance from UNPFA.
- The publication of studies and reports related to health matters affecting older persons.

Although all the issues in its National Plan of Action (2003-2008) are considered important, NCA considers the main ones to be: (i) health care and (ii) income security. The primary concern in relation to health care is its affordability and availability for older persons, particularly those living in poverty. In the case of income security, the concern is that presently, the majority of older persons in Belize are not covered by a pension plan, and even where government has assisted, e.g. through the non-contributory pension scheme, its coverage and selection process leave a lot to be desired.

A new and emerging issue is that of the legal protection of older persons. The NCA is presently going through a process of drafting an Act for Older Persons, which, it is hoped, will address most of the legal issues that presently confront many older persons on a daily basis and for which they have no legal recourse. Other emerging issues include crime and violence and some health issues which are not really “new”, but instead are recurrent and are being dealt with through other structures of the NCA. NCA sees its main institutional challenge as the constant fight to ensure that the issues and concerns of older persons are not placed on the “back burner” by the policy makers. Overall, the NCA would like to see:

- Increased support from its parent ministry, MHDST, in relation to its work program.
- An increase in the present level of staff (2) to improve office management and accounting.
- A re-emphasis and strengthening of its co-ordinating role, particularly in relation to those member agencies that have become inactive on the Council.

6.9.2 *HelpAge Belize*

The mission of HelpAge Belize is that of ‘*empowering older persons by providing services and creating an enabling environment to achieve aging with dignity*’ (Adopted November 2005). Its primary goals are to:

- Provide the elderly with an environment that enhances dignity, self-esteem and physical and mental well-being.
- Involve the youth in activities and programmes for older persons.
- Conduct fund-raising drives for organizational sustainability.
- Expand networking and improve collaboration with NGOs, social partners and the Government of Belize.
- Develop the human resource base of the organization for effective participation and good governance.
- Address health issues through education and the support of medical professionals.

With the establishment of the National Council on Ageing (NCA) in 2003, the focus of work for HelpAge was redirected towards the provision of residential and support services, and programmes that benefit older persons. Most of the advocacy work for older persons is now being conducted through the blossoming VOICE organization, while the NCA addresses issues of policy and legislation.

Over the last twenty-five years (1984-2009), HelpAge has served the community of older persons by providing outreach and residential/nursing services, developing and implementing educational programmes and engaging in some research and advocacy work. Major achievements have been:

- Developing a viable organization which has contributed to increased life expectancy, reduced poverty and improved quality of life of older persons through our range of programmes.
- Developing a strong and caring cadre of volunteers to work with Belize’s population of older persons.
- Raising awareness of the plight of older persons, placing their issues in the limelight whilst reducing the stigma attached to old peoples’ homes.

- Creating strong partnerships with government, religious denominations, service organizations, the business community, the banking community and educational institutions at all levels at home and abroad, and a large number of individual supporters.
- Constructing 3 residential homes for older persons i.e. the Octavia Waight Centre (which includes a therapy centre), San Ignacio Town in 1986 (27 residents); the Sister Cecilia Home, Belize City in 1996 (53 residents); and most recently the Hazel Hutchinson Home for Older Persons, Belmopan in 2008 (the projected Day Care Centre for this establishment has yet to materialise).
- Undertaking, with the assistance of the University of New Hampshire, an evaluation of the care provided by the Sister Cecilia Home for the Elderly, the Octavia Waight Centre and the Golden Haven Home (managed by the GoB).
- Operating six establishments that provide part time service and social activities to older persons (Punta Gorda, Dangriga, Belize City, Orange Walk, Hopkins and Corozal). None of these establishments provide full-time holistic day centre care. The lack of purpose built day care centres is seen as a major shortcoming in the provision of services for older persons.
- Establishing programmes for home visits and Meals on Wheels in various parts of the country.
- Lobbying for the establishment of the National Council on Ageing and the introduction of the non-contributory pension (NCP) for needy older persons and subsequently getting the NCP extended to older men as well as women.

6.9.3 VOICE

VOICE was established in 2007 with branches in all districts to lobby for the rights and needs of older persons. It does not directly provide services (unlike HelpAge and the National Council for on Ageing, part of MHDST). It has active members in all districts and its activities include:

- Lobbying banks to enable older persons to avoid waiting in lines to collect their NCP.
- Assisting older persons to fulfil NCP application process.
- Lobbying SS for special assistance for very needy.
- Encouraging shops to provide 10% discounts to older persons.
- Running school campaigns to increase respect for the older persons – a play was written and is being performed.
- Trying to get people to understand the ageing process and that older persons find it hard to adapt or change when their faculties start deteriorating.
- Encouraging/developing social activities for older persons.

VOICE believes that older persons are increasingly living on their own and are therefore often dependent on their own funds, supplemented by often irregular assistance from family members; some receive social security payments. VOICE considers that many are very needy, especially for food, and depend on credit to exist from one social security payment to the next.

6.9.4 *The Mercy Care Centre/ Mercy Kitchen.*

Mercy Clinic was established in 1957 and is the longest serving organization for older persons in Belize. It provides medical attention daily to older persons in Belize City and also, since being registered as an NHI PCP – Primary Care Provider in 2009, it is able to provide medical services to all older persons eligible to seek assistance under this scheme. Mercy Clinic also provides an Out –Patient service, medical care to housebound through home visitation/ outreach dept, counselling through Health Education Dept and a social work service. The Mercy Care Centre could be described as the only Day Care Centre for older persons in Belize for the range of services it provides and its holistic approach to dealing with the issues and needs of older persons.

Mercy Kitchen was established in 1986, although the Sisters of Mercy, who founded the Mercy Care Centre/Kitchen, had been providing food to poor older persons since the 1950's. The kitchen serves breakfast and lunch five days per week and delivers food to an ever increasing number of housebound members. An average of 95 meals are served daily. There is a programme of activities at the Centre daily to stimulate and entertain guests, which include Arts & Crafts, Physical Exercise, sing-a-longs and the occasional field trip. The centre also has a chapel, where mass is held or a space for contemplation and facilities for the homeless to shower and receive clean clothes daily.

6.9.5 *CARE Belize*

CARE Belize is one of the few NGOs in the country working directly with disabled persons through lobbying support, advocacy, and direct assistance. Its activities are constrained by lack of resources and it relies primarily on volunteers.

CARE Belize bemoans the general absence of attention paid to this vulnerable group in the country, notwithstanding the assistance provided through the education and health systems. There is no government policy for the disabled, few public buildings have special access for disabled persons, and those most severely disabled can be ignored and/or stigmatised by both family and society. The legislative framework for disabled persons should therefore be bolstered, public awareness raised, and opportunities developed for disabled persons to access suitable employment.

6.9.6 *Belize Council for the Visually Impaired (BCVI)*

BCVI operates a three-tier system - Primary, Secondary and Tertiary Eye Care. The Primary Eye Care programme involves screening of the eyes, particularly for the poor, free of charge in all the six districts of Belize. In 2008 10,283 people were screened under the Primary Eye Care programme.

BCVI works both on treating visually impaired persons and on supporting those who are blind through skills training and coping strategies (including emotional). The organisation trains young children to read and write Braille, thus helping them to better integrated into regular education classes.

Although services are free, BCVI incurs expenses as they may pay for services offered by specialists and other costs involved. In addition to financial challenges, BCVI considers that improved coordination with other agencies that offer services through BCVI is required. For example, specialist doctors from abroad may be brought in to diagnose and prescribe treatment for certain patients, but may not be available for follow-up and staff at BCVI are not necessarily qualified for the follow-up action.

6.10 Religious Organisations¹⁴⁸

6.10.1 Belize Council of Churches (BCC)

BCC is a co-ordinating and advocacy organisation that works around issues relating to food security, health care and education for people in poverty, and in proclaiming the gospel of Jesus. In response to other more recent issues such as gang crime, BCC has worked with the Youth for the Future, the National Council on Ageing, and the National Committee for Families and Children.

BCC co-ordinates mostly localised health programmes for older persons; meals at school (60 children); education for HIV-positive children; and eye clinics. It also coordinates education and training for teachers/students delivered by teams from the USA.

BCC considers that more funds should be allocated to some primary schools, as some face challenges despite receiving some money. An organised and co-ordinated approach between BCC and its Evangelical counterpart is required in order to reduce duplication and improve efficiency of the activities of both organisations.

6.10.2 The Salvation Army

This organisation works mostly on providing food and shelter, respectively, for school children and homeless older persons. The school food programme is localised - breakfast for 70 children in a primary school and conducts mid-day meal for 60 poor children. It conducts disaster relief programmes, as required.

Typical constraints relate to funding and infrastructure, such as lack of space to stockpile relief supplies to use in the event of a disaster. The Salvation Army is also advocating for the re-opening of a building (Ghann's residence) that was previously used to shelter the homeless.

6.10.3 YMCA

YMCA is a Christian organisation committed to serving the need of youth and their families. It runs regular after-school and summer programmes for children and young adult boys from lower socio-economic background. After-school programmes focus on Reading/Math skill enhancement, sports, etiquette and personal development for children and young adults, as well as support programmes for parents. Summer programmes relate to sports activities and personal development. A nominal fee is charged for both programmes, however, access is not denied if someone is unable to pay.

The main funding sources include GoB, fellow YMCA organisations (such as St. Louis), fees, and donations, but these are all insecure and fluctuate from one year to the next.

Its ability to expand its activities and recruit additional experienced teachers is constrained by limited financial resources. YMCA will appreciate meaningful coordination with other organisations that will help share experiences of expansion and outreach, as well as stimulate dialogue on potential resources.

¹⁴⁸ There will be many other religious organizations undertaking broadly similar activities as those described below.

6.10.4 YWCA

Similar to the YMCA, YWCA is a Christian organisation committed to creating opportunities for the overall development of women and girls in Belize. YWCA conducts various programmes for girl children and young girls, as well as boys. Current programmes relate to mainstreaming young girls who drop out of school back into the education system. If not successful, they undergo skills training as part of capacity building. Girls over 18 years of age are eligible for the above programme, and qualify to receive housekeeping and child care training as well. Other programmes include linguistic training (English) and child care/ pre-school training for children of working women.

The organisation draws contributions from GoB, BRDP, Government of Japan, OPEC and YWCA World. As with the YMCA, these are not secure and are subject to fluctuations, making expansion and forward planning difficult, if not impossible. Due to these constraints and the absence of space, YWCA is unable to run the child care/ pre-school training. Future aspirations are thus space expansion and the recruitment of additional staff.

6.11 The UN Agencies

6.11.1 United Nations Development Assistance Framework (UNDAF)

The four UN Agencies working in Belize (PAHO/WHO, UNDP, UNICEF, and UNFPA) are guided by a framework known as the United Nations Development Assistance framework (UNDAF), 2007-2011. This document establishes the outcomes the Agencies are working toward achieving in Belize. They were established in partnership with the Government, in order to be aligned with national priorities, and on the basis of a situation analysis (the Common Country Assessment, or CCA). For Belize, the UNDP programme for 2007-2011 focussed on three primary outcomes:

1. Poverty Elimination by Investing in People: *“By 2011, the most vulnerable and excluded populations fulfil their rights to more equitable and quality basic education, health and protection, guided by processes based on democratic governance principles”*. This relates to long-term investment in participatory social planning of poverty reduction strategies.
2. Reverse the Spread of HIV/AIDS: *“By 2011, the HIV incidence is reduced by 25% and all infected persons have universal access to prevention, treatment and care”*. The UN provides technical cooperation through the mechanisms of the UN Theme Group on HIV/AIDS and helps to strengthen, in a strategic way, the national response to HIV/ AIDS.
3. Improve sustainable development practices: *“By 2011, national frameworks and capacities are in place enhancing the ability to adequately address adaptation to and mitigation of the impact of disasters as well as the comprehensive, equitable and effective management of the nation’s natural resources”*. The UN also enables national frameworks and capacities to enhance Belize’s ability to address natural disasters, and promotes effective and equitable sustainable management of the country’s natural resources.

The UNDAF estimated total for three agencies (UNFPA, UNDP and UNICEF) for 2007-2011 was US\$11.2 million. PAHO/WHO was not included in this estimate because the PAHO/WHO funding cycle is somewhat different to the other agencies. A significant proportion of these funds are directed to approved programmes implemented by the organisations whose activities have been reviewed in this document.

6.11.2 *The Pan American Health Organization/World Health Organization (PAHO/WHO)*

PAHO/WHO is an international public health agency with more than 100 years of experience in working to improve health and living standards of the countries of the Americas. It serves as the specialized organization for health of the Inter-American System. It also serves as the Regional Office for the Americas of the World Health Organization.

PAHO/WHO started its operation in Belize during the 1950's. Technical support to the then British Honduras included services such as advice to the Medical Officer, provision of equipment and supplies, development of a national health plan, control of communicable disease and training of health personnel.

PAHO/WHO's presence in Belize has grown from a small office to a full representation with 20 staff members, which coordinates the Organization's technical cooperation with the country. PAHO/WHO works with the Ministry of Health (as the main counterpart) and other partners to strengthen health sector capacity and advance priority programmes through the Organization's core functions of: leadership; research and knowledge management; norms and standards; ethical and evidence-based policy; technical cooperation for sustained capacity; and health situation and health trends analysis.

6.11.3 *The United Nations Development Programme (UNDP)*

UNDP is the UN's global development network, an organization advocating for change and connecting countries to knowledge, experience and resources to help people build a better life. UNDP has offices in 166 countries, working with them on their own solutions to global and national development challenges: the overarching aim of UNDP's work is to help develop national capacities for development. UNDP's focus is helping countries build and share solutions to the challenges of Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Environment and Energy and HIV/AIDS.

UNDP has been present in Belize since 1992. Just over half of UNDP's portfolio in Belize relates to energy and environment issues. The other half relates to poverty reduction, the MDGs, governance, and, more recently, HIV/AIDS.

6.11.4 *The United Nations Population Fund (UNFPA)*

UNFPA supports countries in using accurate population data for policies and programmes to reduce poverty and to ensure improvements in maternal health, HIV prevention, and gender quality. UNFPA also focuses much of its work on the reproductive health and rights of young people. UNFPA has been present in Belize since 2004, and has programmes in the areas of HIV/AIDS, population and development strategies, and gender equality.

Poverty reduction, democratic governance, HIV/AIDS support, energy and environment are the key areas in which UNFPA has been working in Belize, with appropriate partners such as the Global Environment Facility (GEF). The Draft Country Programme Document¹⁴⁹ identifies the need to strike a balance between poverty reduction and democratic governance whilst allocating the limited resources. It notes that such a balance should be aligned with national parameters and that these programmes should deliver policy debate-enhancing products.

¹⁴⁹ UNDP/ UNFPA Executive Board, 2006, Draft Country Programme Document for Belize (2007-2011).

6.11.5 *The United Nations Children's Fund (UNICEF)*

UNICEF is active in 190 countries, tasked by UN member states to be the independent voice for children, to ensure that the rights of all children everywhere are respected and protected, their basic needs met, and their opportunities expanded so that they can reach their fullest potential.

UNICEF's commitment to Belize dates back to 1954. Environmental health, vector control, school feeding and the provision of primary school textbooks and supplies were a part of the response in the early decades of engagement. UNICEF established an office in the same year that Belize gained its independence and has since been a solid and loyal partner to the government, promoting legislative and policy changes, bringing its global authority to influence decision-makers, and supporting a variety of partners at grassroots levels to turn the most innovative ideas into reality. In shaping a Belize fit for children and women, UNICEF has promoted education, early childhood stimulation, legal and institutional reform, efficient juvenile justice systems, stronger data, monitoring and evaluation systems, and helped develop an environment that promotes positive adolescent behaviours and values adolescent health.

6.11.6 *The UNDAF Mid-Term Review (MTR)*

The UN Agencies in Belize had good reason to believe that the UNDAF was a good reflection of national priorities, as it was based on a situation analysis/CCA, and extensive consultation with national stakeholders and partners. Nevertheless, Belizean realities are changing, from political, economic, social and other perspectives and in order to review the effectiveness of its interventions, UNDP undertook a Mid Term Review (MTR) of the UNDAF. The conclusions of the MTR are summarised below in respect of the three UNDAF Priority Outcomes¹⁵⁰:

1. *UNDAF 2007-2009 in Belize has so far actively support GoB's efforts to respond to national priorities, working together – directly or indirectly – with most of the 16 ministries of the newly elected government and a range of non-government actors ... [however] only few UNDAF interventions have been supported by more than one of the UN [agencies working in Belize]. In that sense, little synergy has been achieved as yet.*
2. *This MTR shows that UNDAF contributions to national country outcomes are becoming evident, mainly in the area of HIV/AIDS, sustainable development (including climate change) and certain health interventions such as health information systems and selected health services like sexual reproductive health. Its contributions to national systems, human rights, good governance and decentralisation, and disaster mitigation are still in the wavering stages of achievement while the efforts to improve education quality have not led to substantial contribution in the outcome so far.*
3. *UNDAF achievement of outcomes thus far consisted mainly of a range of smaller, not necessarily interlinked interventions, activities or projects, and a more programmatic or sector-wide approach has not been adopted.*

In respect of the five inter-linked themes that should be applied at country level, the MTR conclusions can be paraphrased as follows:

¹⁵⁰ Based on discussion with UNDP, January 2010 at which time the final version of the MTR had still to be produced. Some amendment to the conclusions is thus possible.

- HRBA (see 6.11.7): a full human rights approach is not currently adopted but should be considered in the future.
- Gender equality: interventions are making clear progress in terms through the promotion of women's rights and sexual reproductive rights, domestic violence awareness and women empowerment activities but (i) a the risk of male exclusion, and (ii) without sufficiently contributing to strategic gender interests.
- Environmental sustainability and climate change: UN contributions are beginning to bear fruit especially in policy development and data collection but mainly in partnership with the Ministry of Natural Resources and the Environment rather than through a sector-wide GoB/UN approach. The UN team also believes that their extensive collaboration with NEMO and other agencies in the field of disaster management both in improving the response to natural disasters and direct support and supplies has been successful.
- Results Based Management: well –established within UN agencies but not within partner agencies.
- Capacity Development:: while most UN activities can be classified as or linked to capacity building, there are still major capacity gaps within direct or indirect recipients. There is too much focus on training to the detriment of institutional and management support.

General recommendations made by the MTR concentrate on increasing the focus on institutional capacity building play a more active role in policy making and ensuring that current achievements in programmes and policies are reinforced and reach ultimate beneficiaries; improve data collection and monitoring activities; and reorient 'training' programmes to more directly address 'learning' needs to ensure their applicability and relevance. All the above are designed to gradually upgrade the institutional capacity and technical capabilities of partner agencies.

Other issues are the need to improve co-ordination between complementary initiatives and develop a real aid effectiveness mechanism in place in Belize, consistent with the Paris Declaration and the Accra Agenda for Action¹⁵¹. This places the onus on the UN Agencies and the limited number of other in-country development partners to coordinate among themselves in addressing the key development issues that the country faces. There exists a 'donor group' which meets on a relatively informal and infrequent basis to share information and coordinate activities. But different donors have different coordinating ministries, and GoB may not fully be in a position to measure the amount of aid it is receiving.. In order for GoB to be in a position to lobby for more international development assistance, an analysis of aid trends to date is considered to be desirable.

A number of possible emerging issues are being discussed, including Climate Change (which is touched upon in some of UNDP's energy and environment projects, but which is a major emerging issue globally), migration, and citizen security. It is believed that these are areas of interest to GoB.

¹⁵¹ These relate to improving aid effectiveness based on greater transparency, longer term planning and budgeting, increased co-ordination and co-operation between donors and receiving countries. More detail can be found at <http://www.accrahl.net/WBSITE/EXTERNAL/ACCRAEXT/0,,menuPK:64861886~pagePK:4705384~piPK:4705403~theSitePK:4700791,00.html> and other websites.

6.11.7 *The UN's Human Rights Based Approach (HRBA)*¹⁵²

The UN agencies are now adopting a Human Rights Based Approach (HRBA) to development programming. The HRBA approach is based around the rights listed in Box 6.3 which are 'guaranteed to all human beings under international treaties, without any discrimination on grounds such as race, colour, sex, language, political or other opinion, national or social origin, property, birth or other status'. We have categorised these into (i) rights relating to justice, safety and freedom from discrimination; and (ii) rights relating to development issues such as health and education. The essential difference between these two categories is that the first primarily require action on terms of political will, the legal framework and security with relatively little expenditure while the second category requires much greater government expenditure.

Box 6.3. Human Rights Guaranteed by International Treaty

<p>Category 1: Rights relating to justice, security and freedom from discrimination</p> <ul style="list-style-type: none">• The right to life, liberty and security of person• Freedom of association, expression, assembly and movement.• Freedom from arbitrary arrest or detention.• The right to a fair trial.• The right to equal protection of the law.• Freedom from arbitrary interference with privacy, family, home or correspondence.• Freedom from torture and cruelty, inhuman or degrading treatment or punishment.• Freedom from slavery.• The right to a nationality.
<p>Category 2: Rights with Implications for Development Policy</p> <ul style="list-style-type: none">• The right to the highest attainable standard of health.• The right to just and favourable working conditions• The right to adequate food, housing and social security.• The right to education.• The right to water.

Source: Office of the United Nations High Commission for Human Rights, 2006, op. cit.

The key principles of HRBA, as outlined in the above document, are:

A human rights-based approach is a conceptual framework for the process of human development that is normatively based on international human rights standards and operationally directed to promoting and protecting human rights. It seeks to analyse inequalities which lie at the heart of development problems and redress discriminatory practices and unjust distributions of power that impede development progress.

Mere charity is not enough from a human rights perspective. Under a human rights-based approach, the policies, plans and processes of development are anchored in a system of rights and corresponding obligations established by international law. This helps to promote the sustainability of development work, empowering people themselves— especially the most marginalized—to participate in policy formulation and hold accountable those who have a duty to act.

¹⁵² This section draws heavily on Office of the United Nations High Commission for Human Rights, 2006, Frequently Asked Questions on a Human Rights Based Approach to Development Co-operation, United Nations.

While there's no universal recipe for a human rights-based approach, United Nations agencies have nonetheless agreed on a number of essential attributes):

- *As development policies and programmes are formulated, the main objective should be to fulfil human rights.*
- *A human rights-based approach identifies rights-holders [i.e. communities, groups or individuals] and their entitlements and corresponding duty-bearers [i.e. the state] and their obligations, and works towards strengthening the capacities of rights-holders to make their claims and of duty-bearers to be accountable.*
- *Principles and standards derived from international human rights treaties should guide all development cooperation and programming in all sectors and in all phases of the programming process.*

6.11.8 Study Team Comments

As with many government programmes and those of NGOs, UN programmes are generally well targeted and address priority needs, especially those related to gender (e.g. domestic violence and female empowerment), child education, HIV/AIDS and reproductive health issues, and disaster management. They provide an invaluable additional source of funds and expertise to ministries and NGOs suffering from a chronic lack of resources with responsibilities for these crucial poverty related issues. Arguably in the future, given the limited resources available to the UN agencies and the acknowledged institutional weaknesses within the government, it might be desirable to avoid spreading these resources too thinly and concentrate resources on those priority areas where current activities are proving most successful.

The HRBA by framing development interventions on numerous issues in terms of human rights can reinforce the importance of key UN activities in Belize and hence improve the likelihood of implementation whilst also providing some recourse to the legal system where human rights are being abused or ignored. However, the HRBA does not eliminate the need for prioritisation nor does it necessarily involve changes in, or additions to, the types of programmes currently being implemented. HRBA's adoption could also put additional strain on the already stretched capacity of partner agencies. The Study Team is also concerned about the emphasis given to the government as the primary 'duty-bearer' in the HRBA process. It feels that without a clearer enunciation of personal and community responsibilities, especially in relation to contributions to development projects, family and child issues, civic and social responsibility, it could induce an increase in the type of dependency syndrome that was mentioned during the PPAs as major cause for concern. It is, therefore, not recommended that the adoption of HRBA should become a government priority. Conversely, the Study Team firmly believes that human rights issues related to discriminatory practices should not be combated at every opportunity.

6.12 PPA Views on Assistance Received from Government and NGOs

In terms of infrastructure, a number of communities said that government had assisted them in the provision of rudimentary water systems and health clinics. They recognized the training efforts of some government departments. However, they thought that more training is still required. The lack of maintenance of buildings and the premature failure of water systems also generated comment. Yet the PPAs made relatively little acknowledgement of these improvements, which have demonstrably increased the availability of piped water and electricity to rural households (see Table 2.28). This will partly be due to the emphasis in the questioning which was designed to elicit views as to the most

pressing current problems so as to provide input to the study's recommendations, but it also reflects a well known predisposition of respondents to talk about what is not going well rather than what is working. It could also indicate that the government should give more publicity to these initiatives. Conversely, the fact that infrastructure issues were mentioned less frequently than other difficulties (Table 4.21) can be seen as some proof that these issues are not seen as major difficulties or problems in the majority of communities.

Also indicated by the PPAs was the need for more social support services. Some communities reported that they have received some charity donations from businesses and churches that have positively contributed to the development of their communities. It was also frequently stated that most communities rely heavily on government subsidies for school activities, and for such services as the feeding programme. There seems to be general satisfaction with the assistance participants have received from Government, NGOs, church organizations, and other donor agencies in terms of addressing these types of short-term needs. There also seemed to be some awareness of micro-credit programs, but little experience of them.

Children and older persons, on the other hand, based on the assessments, were grateful for the institutions and homes into which they were placed as a way of coping with poverty and family crisis¹⁵³. People living with HIV/AIDS rely on support from family, GoB (medication through the MoH) and other organisations such as *Alliance against AIDS*, *the Hand in Hand Ministry*, and others. Similarly, VOICE and HelpAge provide assistance to needy older persons, while MHDST provides assistance to children, youth and families.

Participants also observed that changes in administration bring negative consequences such as the lack of project and personnel continuity. They thought that offering appropriate support to government representatives affected political decision-making. Participants also commented that much more could have been achieved if there were a transparent system in place or if the nature of assistance available and the process of how to access the assistance was clearly defined, especially to those who genuinely needed it. Similarly, with proper planning, systems can be developed to ensure that the services and support that are required are reaching those who genuinely need them. Too often they have seen programmes designed to meet the needs of the community discontinued because they might have been started under the previous administration or current programmes would not benefit their community because of their Village Council's or elected representative's allegiance to the previous government; if assistance were received it would be too little. Many complain that there has been inequity in the distribution of jobs, financial assistance, and land titles.

The issue of the adverse influence of factional politics is the one of the most frequently recurring themes of PPA respondents' comments on the effectiveness of government programmes. This points not only to the impact of politics on developmental issues, but also to the growing dependency on government and politicians to 'solve' all the problems faced by communities, households and individuals. Thus despite SIF projects being expected to include some community inputs (in cash or kind), this has rarely been forthcoming. Many participants observed that some communities are becoming too dependent on

¹⁵³ Children in particular, often find institutions as a blessed relief from life on the streets or in dysfunctional households. A very good description of these feelings is provided in NPESAP 2007-2011.

the services that are offered by the government, NGOs and CBOs, thus reducing their own efforts and self-reliance, with the result that the community develops at a very slow pace. This dependency or 'welfarism' is fostered by some politicians as a means of increasing their power (and sometimes their incomes) but its more pernicious effect is to reduce the willingness and ability of communities and their residents to increase their self-reliance. These same issues recurred in virtually every discussion and meeting undertaken throughout the study, and will recur frequently throughout the rest of this report.

Many current programmes are seen as being generally sound, but their potential benefits are compromised by political interference, poor management, and low coverage. In consequence, there is widespread disaffection with politicians, who are seen as interfering with government programmes, which is having an increasingly pernicious impact on self-reliance and inter- and intra- community co-operation, leading to a dependency culture.

6.13 Coverage and Targeting of Government Programmes

6.13.1 General

The preceding descriptions of government and non-government social sector programmes has been generally limited by the lack of quantitative information relating to the coverage and targeting of the designated beneficiary (or target) groups. This section presents information on these critical issues which was obtained by the LSMS.

Coverage is defined as the percentage of the target group who are beneficiaries of a particular programme. Targeting is defined as the percentage of the programmes' beneficiaries who are members of the target group. Leakage is the term used for the extent to which programme beneficiaries are not members of the target group¹⁵⁴.

Coverage and targeting are essentially independent concepts: a programme can have excellent targeting if all beneficiaries fall within the target group, but low coverage because only a small proportion of the group benefits from the programme. Conversely, a programme can cover a large proportion of the target group, but a large proportion of beneficiaries fall outside the designated target group.

Three general issues concerning targeting of programmes should be mentioned. Firstly, targeting costs money in setting up and then applying eligibility criteria, especially if a high level of transparency is to be achieved. Secondly, targeting can increase stigma, especially for children, by singling out those whose parents cannot provide for them¹⁵⁵. Thirdly, targeting, using the indigence or poverty lines, is notoriously difficult, as it requires detailed consideration of incomes and expenditures which is hard to obtain and often difficult to assess accurately. Most poverty-targeted programmes, therefore, use a combination of accepted correlates of poverty, e.g. large household size, poor housing conditions, single parenthood, or selection by key informers, e.g. teachers or village leaders, which can be prone to abuse. Targeting by geographic area is often used, yet unless there is an exceptionally high level of poverty in the particular area, this will always lead to a high degree of leakage; the secondary school start-up subsidy that now applies to all new secondary school students in the south of the country is a case in point.

¹⁵⁴ I.e. the reverse of the targeting percentage: the percentage of beneficiaries who fall outside the target group.

¹⁵⁵ This is not however an insuperable problem: in UK, set criteria are used to identify children eligible for free school meals and this does not appear to be a cause of major problems.

6.13.2 Coverage of Major Programmes

Table 6.25 shows the coverage achieved by various types of government and NGO programmes. Coverage rates have been calculated for the presumed target population, where these can be adequately defined. Two principal conclusions arise from this Table.

Table 6.25 Coverage of Government Programmes

Type of Programme	Participation % of all H'holds*	Weighted participation**		Effectiveness % of participating H'holds***	Comments
		Criterion	% of H'holds		
Training/ Education/ Micro-finance/ Micro- credit (incl. BRDP)	5%	Rural population	10%	89%	Mainly targeted at rural areas.
Housing and land distribution	3%	None [@]	-	69%	No specific targeting for these programmes.
Free school meals	1%	H'holds with children 5- 17yrs	2%	96%	Responses exclude beneficiaries of subsidised feeding programs.
Education start up subsidy	3%	Sec. sch. entrants in 2008/09 #.	42%	99%	Only applies to new secondary school entrants on a needs and merit basis.
Pensions	12%	Elderly population#	9%	na	85% of recipient households have no one aged over 64 years
National Health Insurance (NHI)	17%	Belize districts	57%	97%	Would exclude scheme members not falling sick. Extent of NHI in Toledo is not known.
Social Welfare/ Assistance	2%	Poor h'holds	2%	na	Very low coverage. 60% of households are not poor.
Social services: disability, juveniles, drugs, sex education, counselling.	4%	None [@]	-	84%	Would only be relevant for a minority of H'holds apart from sex education.

NB. Derived from question on programme participation except pensions and social assistance which are derived from data on income sources.

* Benefiting households as % of all households.

** Benefiting households as % of 'target' population.

*** % of participating households who consider programme to have been effective.

@ No basis for assessing 'target' households.

Universal start up subsidies for Stann Creek and Toledo were only introduced for the 2009/10 academic year. This proportion tallies well with Ministry of Education data indicating that around 3,000 students received this subsidy. Data on pensions is also consistent with data from SSB. Source: LSMS.

The first is that the coverage of most of the programmes is very low even when the coverage rates are weighted by the assumed target group. The exceptions are the education subsidies which are receivable by first-year secondary school students; the NHI which is available throughout much of Belize district; and pensions due to the NCP (now available to men) and social security pensions, recipients of which may also receive government pensions. However, the amount received by pensioners is well below that required to cover the cost of the MFB. Amongst programmes with low coverage are those relating to income generation (micro-credit and training) and social assistance¹⁵⁶, both of which confirm the PPA

¹⁵⁶ Informal and usually irregular assistance from NGOs is not included.

findings. The second important conclusion is that, echoing the PPA results, the vast majority of beneficiaries consider the programmes to have helped them ‘a lot’ or ‘a little’.

6.13.3 Poverty Targeting

Table 6.26 shows the extent to which selected programmes are reaching the poor. There are two caveats. Firstly, not all programmes are targeted at the poor: some are targeted based on need (e.g. disability and drug rehabilitation) and others on the basis of a general target group (e.g. NHI and training programmes). One would not therefore expect these to have a significant pro-poor bias. Secondly, for programmes with low coverage, the small overall coverage precludes firm conclusions about the extent of poverty targeting.

Table 6.26. Poverty Targeting of Selected Programmes

Programme	Coverage	Poverty Targeting		Comments
	% of Poor H'holds receiving	% poor recipients		
Overall Household Poverty Rate	-	31%	-	
Training/Education/ Employment generation (tourism/ crafts/ agriculture)	4.6%	29%	neutral	Not targeted; expected result.
BRDP / Small loans (micro-credit)	1.4%	43%	++*	Partly targeted
Housing and land schemes	2.9%	29%	neutral	Generally not targeted
Free school meals	2.4%	68%	++	Targeted
Education start up subsidy	5.4%	50%	++	Partly targeted.
National Health Insurance (NHI) Programme	15.5%	28%	neutral	Not targeted; expected result.
NCP	4.4%	46%	++	Targeted
Social welfare/ assistance	1.9%	40%	++	Targeted
Social services: disability, juveniles, drugs, sex education, counselling.	3.2%	26%	Not pro-poor	Eligibility based on need. Greater availability in urban areas where poverty is lower.

Shaded programmes are poverty targeted.

* ++ = High poverty targeting, i.e. more than 25% above national poverty rate.

Source: LSMS.

Whilst bearing the above in mind, the Table shows that all the programmes which target the poor clearly have a pro-poor bias, notably free school meals and the education start up subsidy, but also social assistance, the NCP and BRDP. In contrast, the NHI, training and general credit programmes and social services targeted at vulnerable groups are either neutral or have a bias to the not poor. Leakage rates are however high for the NCP (over half of recipients live in not poor households) and social welfare (60% of recipients come from not poor households). It is not possible to assess whether these leakage rates result from shortcomings in the targeting criteria, which, as mentioned above, are not based on the poverty line, or political interference in the selection of beneficiaries. It is however instructive that the highest poverty targeting, for free school meals, is achieved through the selection of beneficiaries by experts, i.e. the teachers.

The evidence of pro-poor targeting is encouraging. However, this has to be set in the context, of very low overall coverage rates. On balance, this is probably the issue which should be addressed most urgently.

6.14 Government Social Spending and Distributional Impacts

6.14.1 Government Social Spending

There are almost as many definitions of social spending as there are studies which examine this topic. In this case, social spending is defined as expenditure on health, education, social services and housing; in practice, virtually all social spending in Belize is on health and education (Table 6.27).

Table 6.27. Government Social Spending, 1992-2008

Year(s)	Total recurrent social spending					
	BZ\$ million	% educ.	% health	% GDP	% Govt. Exp.	% Non-debt Exp.
1992-94*	Na	na	na	14.5%	35%	na
1995-2001*	Na	na	na	10-11% **	30-31%	na
2002	137	72%	26%	7.4%	32%	51%
2003	139	70%	28%	7.1%	33%	54%
2004	154	69%	29%	7.3%	34%	59%
2005	170	66%	32%	7.6%	33%	51%
2006	183	67%	29%	7.5%	32%	61%
2007	220	67%	30%	8.6%	34%	58%
2008	252	68%	29%	9.1%	41%	59%

* Also includes capital spending. ** 1995-97.
Sources: Table 2.16; 2002 CPA; AOS, 2008; Budget Estimates, 2008-2009; Central Bank of Belize, 2008 Annual Report.

The Table provides several indicators of government social spending over the last 20 or so years. The data have been derived from a number of sources and are thus neither complete nor entirely consistent. The general trends are however, clear:

- In absolute terms, social spending has almost doubled since 2002; in real terms, this represents an increase of around 50%.
- Around 70% of social spending is on education; almost all the remainder is on health.
- Currently social protection expenditure (defined as social welfare payments and the NCP, which is not included in the Table) is minimal, around BZ\$10 million in 2008, equivalent to under 0.4% of GDP.¹⁵⁷
- Although social spending as a percentage of GDP is below the levels of the 1990s (partly due to recent data not including capital spending), it has risen gradually since the turn of the century to just over 9% in 2008. As noted in the 2002 CPA, this falls well short of the 20/20 target (20% of GDP on social expenditure by 2020) defined at the World Social Summit in 1995; this situation is however replicated throughout the Caribbean.
- Belize's level of social spending is comparable to the Latin American average; out of 19 countries (including Jamaica), 10 spends substantially more than 10% of their GDP on social sectors.¹⁵⁸

¹⁵⁷ Inclusion of NGO and charity expenditure would increase this slightly but only slightly. This is only about half the average Asian value of 0.8%. (Halcrow for the Asian Development Bank, 2007, Scaling Up of the Social Protection Index for Committed Poverty Reduction, Final Report, Vol. 1, Manila)

- Small rising trends are also observed in social spending as a percentage of total government recurrent spending and as a percentage of non-debt spending. The latter results from the 2007 debt renegotiation.

There is thus little evidence that social spending in Belize since 2000 has been adversely affected by the debt burden and it continues to absorb the majority of government non-debt recurrent spending, thereby reinforcing the priority given by GoB to these sectors. Whether this is sustainable is however debatable. As noted in section 2.5.4, debt repayments are set to rise gradually to 2019 when they will jump considerably due to repayment of the Superbond principal, and the poor short-term economic prospects. The potential for increasing social spending or developing major social protection programmes is thus almost certainly limited with the determining factor being the extent that government revenues increase by more than the increase in debt repayments. Some options to ‘protect’ government social spending are the following:

- Securing additional funds from donors: however, if these are not grants, they too will adversely impact the debt situation.
- Obtaining debt relief under the HIPC (Highly Indebted Poor Countries) initiative although Belize’s current status as a medium income country currently makes this problematic.
- Raising government revenues: current poverty levels and pressures on household budgets of the poor and not poor alike indicate that this is unlikely to be a realistic option. Taxation in Belize is equivalent to around 24% of GDP which is high by Latin American standards (the median is only 10%¹⁵⁹) implying that there is relatively little scope for additional taxes. Some redistribution between sources of taxation revenue might be possible so as to reduce the burden on low income households and/or provide a stimulus to productive sectors. Renegotiation of the windfall tax on oil revenues may be feasible especially if production increases¹⁶⁰. However, any increase in revenues could be counterbalanced by increased debt repayments.

6.14.2 *Distributional Aspects of Government Spending and Revenues*

The ToR requested that the distributional aspects of social spending be investigated. In the preceding section, we examined the coverage and poverty targeting of selected government social protection and income generation programmes. In this section, we look at the distributional impacts of:

- Health care expenditure by district.
- Education expenditure by poor and not poor.
- The geographic distribution of local infrastructure projects.
- General Service Tax (GST).

¹⁵⁸ Breceda K., Rigolini J., Saavedra J., 2008, Latin America and the Social Contract: Patterns of Social Spending and Taxation, Policy Research Working Paper 4604, World Bank. Allowances have been made for the different definitions of social spending.

¹⁵⁹ Breceda et al., op cit.

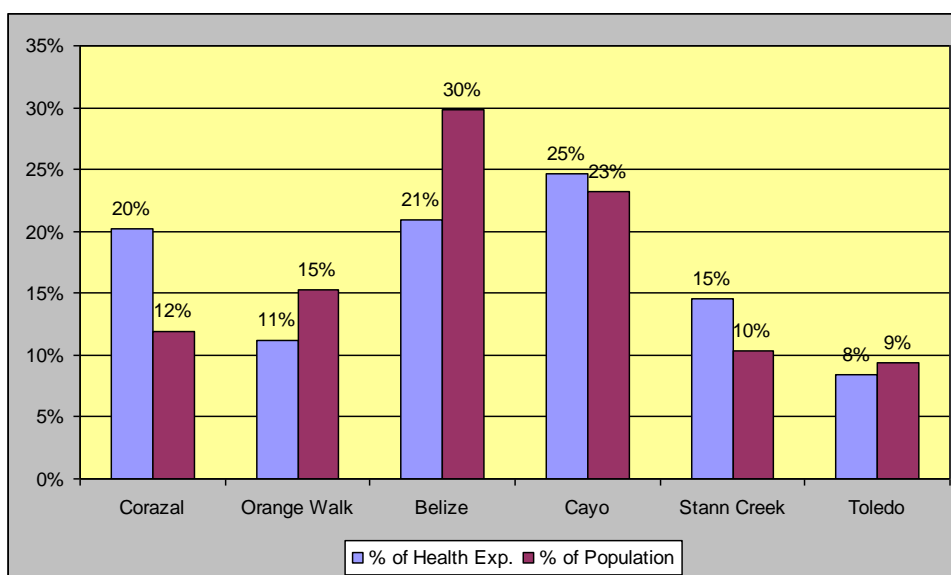
¹⁶⁰ Recent news reports (January 2010) suggested that oil production could increase substantially but there has been little concrete news from BNEL.

The types of distributional analyses undertaken represent a subset of the wide range of qualitative and quantitative tools falling under the general umbrella of Poverty and Social Impact Analysis (PSIA)¹⁶¹.

Health Expenditure

Figure 6.8 shows the distribution by district of primary and secondary care health expenditure. By and large, the pattern of expenditure approximates the distribution of population. Districts where expenditure is higher than ‘expected’ are Corozal and Stann Creek; conversely it is lower than ‘expected’ in Belize City¹⁶² and Orange Walk; expenditure in Toledo is roughly in balance with its population share. This analysis does not, therefore, identify any substantial disparities.

Figure 6.8. Distribution of Health Care Expenditures by District, 2006



NB. Figure for Cayo includes Belmopan hospital.

Source: SIB and Min. of Health

If more disaggregate information were available it could be possible to assess the likely disparity in expenditure between urban and rural areas. However, this would not be able to take account of the need for increased expenditure in urban locations to run hospitals¹⁶³ - which are used by poor and not poor alike¹⁶⁴. It would also say little about the quality of the treatment that is provided. In this context, it is observed that patients from better off groups are more likely to get treatment privately: almost 60% of those in the upper quintile who sought treatment in the last 30 days did so in the private health sector.

Education Expenditure

¹⁶¹ See for instance, World Bank, 2007, *TIPS Sourcebook: Tools for Institutional, Political and Social Analysis for Policy Reform*, Washington, http://siteresources.worldbank.org/EXT/TOPPSISOU/Resources/1424002-1185304794278/TIPs_Sourcebook_English_PartI.pdf?resourceurlname=TIPs_Sourcebook_English_PartI.pdf

¹⁶² This situation would change if some or all the expenditure for the Karl Heusner Memorial Hospital was included; however this facility does treat patients from across the country.

¹⁶³ Grants to the KMHM are equivalent to 86% of health expenditure in the districts (Budget Estimates, 2009/10).

¹⁶⁴ LSMS analysis: 45% of the poor visited compared to 55% of the not poor; these are near identical proportions to the poverty ratio - 41%/59%.

Table 6.28 looks at the distribution of education spending by educational level. It shows that the poor students benefit from 45% of total education expenditure whereas they account for just over half this population group (5-19 years). This is, however, primarily a reflection of differential attendance rates (which has already been identified previously); if secondary school enrolment rates were higher, the proportion of expenditure going to the poor would increase, and similarly with post-secondary education.

Table 6.28. Education Expenditure by Poverty Status, 2007-08

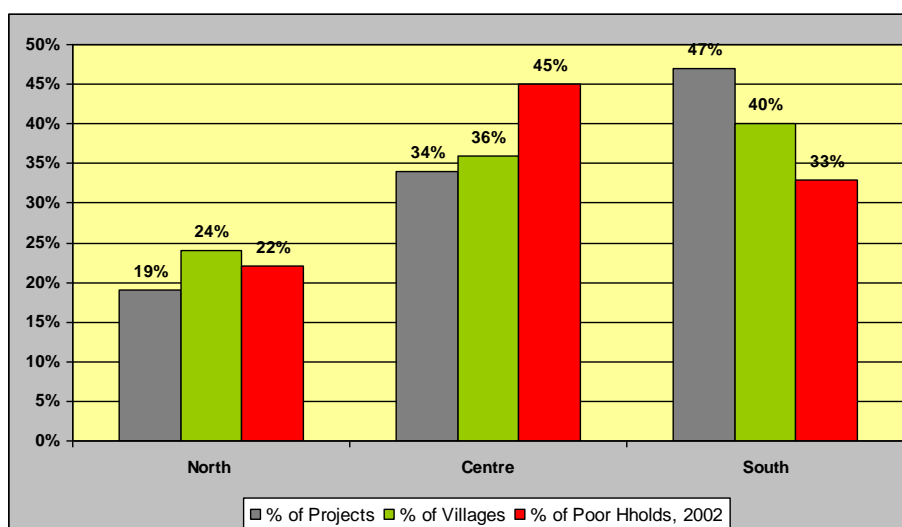
LEVEL	Total Expenditure (BZ\$)	% Poor*	Exp. on the Poor
Primary	77,000,000	54%	41,580,000
Secondary/ High school	36,000,000	35%	12,600,000
Post-Secondary	16,000,000	24%	3,840,000
Total	129,000,000	45%	58,020,000

* % of those attending who are poor.
 Source: Study Team estimates using Min. of Education data and LSMS.

Local Infrastructure Expenditure

Figure 6.9 presents the distribution of local infrastructure projects (including extensions to existing facilities) implemented in the last 5 years by region and compares this to the distribution of villages and poor households in 2002. It shows that the south received more projects than one would have expected if projects were allocated pro-rata based on either villages or poverty, whereas central districts received less and the north was essentially in balance. This, however, ignores the notion of need, i.e. new projects are much more likely to be located in villages where facilities are absent, e.g. the South, and should be targeted at these locations. In other words, the pattern shown by the Figure does not necessarily indicate a bias against the provision of infrastructure in the Central Region.

Figure 6.9. Distribution of New Local Infrastructure Projects in last 5 Years



Source: Study Team analysis of Village survey data.

Taxation and the Poor

GoB raises the bulk of its revenues from four principal taxation sources: individuals (8% of revised 2008/09 revenue estimates); businesses (25%); import duties and tariffs (25%); and taxes on sales and services (40%) of which the lion's share (74%) comes from the General Sales Tax (GST). GST was introduced at a flat rate of 10% in 2006 to replace the Sales Tax¹⁶⁵ which had a slightly lower base rate of 9%.

Income tax does not affect the poor as it has a minimum threshold income of \$20,000 annually. In contrast, import duties and GST together raised \$343 million in 2008/09, an average of just over \$4,000 per household. If these taxes were borne equally by every household, it would represent around 40% of a four person household living on the poverty line – a substantial burden – and around 70% of the income of a household with an income equal to the MFB – an intolerable burden. However, there are two important factors that drastically reduce the impact of these taxes on poor households: (i) exemptions; and (ii) the expenditures patterns of poor households.

GST exemptions and zero-rated items include most basic foodstuffs, water and electricity bills, house rentals, some medicines, public transportation, and education costs¹⁶⁶. These items constitute the great majority of expenditure by poor families. Items for which the poor are likely to pay GST will be some medicines, some imported foodstuffs, various services from larger enterprises (those with turnovers below \$75,000 are exempt from charging), clothing – none of which are likely to figure highly in their household budgets. They will also be affected by the electricity tax (1.75%) and the fuel charge (c. 20%) whereas, the former will be experienced directly, the fuel charge would be experienced indirectly through increased public transportation costs.

As an illustrative calculation, assuming that 50% of the poverty line expenditure is for non-food items and that respectively 20% of non-food expenditures and 10% of food expenditures attract GST, with GST at 10%¹⁶⁷, GST would account for no more than 1.5% of expenditure of those on the poverty line. For those with incomes equal to the MFB and assuming 10% of all expenditure is subject to GST, the equivalent proportion would be 1%. Also germane is the fact that the replaced Sales Tax already stood at 9% for most items.

From this one can conclude that: (i) the introduction of GST would have barely added to the costs of the poor as it represented only a small increase in taxation from GST; and (ii) GST currently only represents a minuscule proportion of the expenditure of the poor due to the exemptions which cover the majority of the items most commonly purchased by low income households.

Where there could be an impact is in the cumulative effect of increases in other indirect taxes, price rises due to increased producer prices, allied to incomes affected by lower wages or, more drastically

¹⁶⁵ The Sales Tax itself replaced Value Added Tax in 1999.

¹⁶⁶ Information on GST comes from <http://www.gst.gov.bz/publications.html> and <http://www.lowtax.net/lowtax/html/jbzpetx.html>. Other information comes from various sources resulting from internet searches using key words such as “VAT”, “Sales tax”, “fuel tax”, etc.

¹⁶⁷ Just raised to 12.5% in the 2010 budget.

unemployment. A similar conclusion was reached in respect of the impact of utility, education and health costs (see Table 4.23).

Distributional Impacts – Concluding Comments

The analysis of the targeting and coverage of government programmes has direct and relevant information for policy makers. Similarly, the illustrative calculations for GST disabuse the notion that an increase in GST will have a significant impact on the incomes of most poor households.

The other analyses of distributional impacts are instructive as much for what they do not, or cannot reveal, than for what they can. The analysis of the geographical distribution of health expenditures allied to the fact the poor and not poor make similar use of public health facilities, imply a generally equitable distribution but it does not address issues, of arguably greater relevance, related to the differential impact of out of pocket expenditures on poor and not poor households and the quality of the service provided. The analysis of educational expenditures basically reflects the variation in school attendance at secondary and tertiary establishments by income levels - which is already known. And both analyses exclude the fact that the poor, who have little in the way of a tax burden, benefit from substantial transfers for these key services.

The analysis of the geographic distribution of local infrastructure projects shows a clear bias towards the poorer southern districts but arguably this is a reflection of need rather than anything else. Future projects may be distributed differently as unserved or rapidly growing villages in other districts are targeted. The issue of need is also important as, almost by definition; it implies that current patterns of expenditure will not be equitable as they need to be biased towards those who are currently most deficient whether in terms of physical infrastructure, education, health or income (e.g. should be targeted by social protection programmes). Yet no special analyses are needed to identify these issues.

The issue of optimum expenditure patterns, mentioned in the ToR, is also challenging. International comparisons are useful but can be misleading. Government expenditure on health in Haiti represents 5.4% of GDP¹⁶⁸ compared to 3.2% in Belize but Belize's per capita government expenditure on health is almost 4 times that of Haiti. Similarly, Belize spends only slightly more than Guyana but Belizeans spent another 70% 'out of pocket' on health compared to only 18% for Guyana. So which country has the best health provision? Similar issues will exist with education and social protection expenditure but here demographic issues further complicate the issue – those with aging populations need to spend more on health while richer countries have more extensive social protection systems: the ratio between health, education and social protection expenditures in Belize is approximately: 2.4:1:0.9 whereas in UK, it is 0.8:1:1.8. Essentially an optimum pattern of government social expenditure appears to be illusory, quite apart from differing needs for other expenditure categories such as infrastructure, security and debt servicing.

Disaggregating other items of government recurrent expenditure, e.g. debt repayments and security whether by gender, poverty status or other characteristic appears to be infeasible in any meaningful way. This type of analysis also assumes a normative assumption that expenditure should, to some extent, approximate the distribution by poverty or other social grouping. Yet this takes little account of need or

¹⁶⁸ Data is from WHO statistics database (WHOSIS), 2006 downloaded from <http://www.who.int/whosis/en/>

other factors such as the quality of the services provided. Nor, and this relates particularly to capital expenditure, does it reflect a clear relationship to poverty reduction. A major investment in a port or highway may bring little direct benefit to the poor (who travel less) but it could well considerably expand economic opportunities and thus contribute strongly to poverty reduction through increased investment and job creation. Essentially, it comes back to the key issue that poverty reduction may not be best achieved by directly targeting expenditure at the poor.

The overall conclusion is that distributional analysis is a valuable tool but one which needs to be used judiciously if it is to generate policy implications. Its greatest potential thus appears to be for the ex-ante evaluation of proposed policy measures rather than the analysis of existing patterns of government expenditure.

6.15 Overview of Social Sector IA

6.15.1 The Positives

This Chapter has revealed a number of very positive features of the social policies and programmes currently implemented by government agencies and NGOs in Belize. At the risk of oversimplification, these are:

- A very wide range of basic health, education and social sector programmes.
- A generally favourable public perception of social sector programmes. Those targeted at the poor achieve good targeting ratios.
- The absence of major ‘gaps’ in the range of programmes provided, i.e. the need for new completely new programmes appears limited. In particular, one notes a number of interventions targeted at children at risk and those who have already transgressed the law, educational support programmes as well as nascent programmes to provide mentoring for boys and ‘men promoting fatherhood’. There are also almost universal immunisation programmes and continuous progress in Mother and Child Health.
- Total social spending has been little impacted by the economic recession and the country’s large debt burden.
- A large number of very hard working and dedicated professionals working in the education, social, and health sectors, complemented by active NGOs and teams of volunteers. Similarly, an increased perception that buy-in by potential beneficiaries and their participation throughout the programme implementation process is crucial to success.
- A police force actively involved in community policing and outreach activities designed to prevent criminal behaviour and reduce its likelihood in the future.
- Significant inter-agency coordination and networking.

6.15.2 The Negatives

On the other hand, and inevitably, these positive features are counterbalanced by a number of negatives:

- A lack of resources, often chronic, afflicts most agencies – MHDST’s annual budget at BZ\$.5 million is almost 30 times lower than that for education. This not only means understaffing but also grossly inadequate funds for administration, operations and maintenance, which has serious repercussions for the ability of many agencies to make the best use of the staff they have – lack

of transport, especially for agencies working in rural areas was a recurrent comment. As a result, valuable staff time is spent not on providing services but on preparing project proposals to obtain funds from international donors and securing donations from charities and the public at large. As one government informant commented: *'I have had to become a beggar to get what I need to do my job'*.

- Difficulties in providing trained and committed staff to rural areas, i.e. just where high calibre teachers and nurses/doctors are needed.
- Inadequate management procedures to deal with staff concerns, replace departing staff, address administrative, operational and maintenance issues.
- Several key education indicators appear to be in decline and, even if this is not the case, they are not improving – secondary school enrolment is barely 50% of the formal age range; and much lower in rural areas which despite having just under 50% of the population have under 25% of secondary school enrolment. As one education informant stated: *'We are running hard to stand still'*.
- The low coverage of most social assistance programmes targeted at the poor and the vulnerable, whether providing direct assistance, counselling or pro-active support.
- Duplication of activities with numerous agencies involved in similar activities allied to a lack of inter-agency co-ordination in the design and execution of cross-cutting social sector programmes.
- Insufficient monitoring and evaluation.
- Reducing political interference in the identification of beneficiaries for targeted programmes. This issue came up constantly in the PPAs and during the Institutional Analysis.
- Last, and certainly not least, social spending is likely to come under increasing pressure from increasing debt repayments and the recession which will entact reduced government revenues.

6.15.3 *Implications for the Study*

Alleviating, if not resolving, all the above problems will require additional finance. In all probability, and for the short and medium terms, this is likely to be in short supply. The primary emphasis should thus be on 'solutions' which have little or no financial implications. Examples of such initiatives could be, in no particular order:

- Improving the human resource management of staff, and especially those in district offices and rural locations, including streamlining procedures for the appointment of replacement and new staff (where the post has already been established).
- Developing low cost approaches to enhance staff skills.
- Enhancing the flow of information and trends between central, district and village-based staff, especially for health.
- Providing increased allowances for operation and maintenance expenditures and improving the delivery of supplies (especially medical) to out-stations.
- Developing procedures for teachers and medical staff to identify children at risk.

- Holding regular meetings between government departments and NGOs involved in similar activities to discuss successes, concerns, issues, problems and pool 'best' practice examples – crucially important for those involved in family and youth problems.
- Preparing a strategy for improving and making more relevant rural post-primary education, e.g. by building new schools, constructing dormitory blocks in existing schools (as the Chinese are doing), making curricula more relevant. In general, upgrading vocational curricula in secondary schools.
- Introducing transparent criteria for targeted programmes.
- Promoting and supporting the implementation of the Paris Declaration and Accra Agenda for Action regarding enhanced aid effectiveness, including discussing with donors the feasibility of (i) introducing simplified grant application procedures, and (ii) switching from project aid to longer-term programme aid, thereby, providing increased security of funding and reducing the need for senior staff to spend so much time seeking out funding sources.

Should additional funding become available, the priorities could be, again in no particular order:

- Increasing the MHDST budget for social assistance welfare and general social services.
- Extending coverage of NHIS.
- Introducing a programme, with stipends, targeted at school drop outs and unemployed youth to provide skills and reduce likelihood of risky behaviour.
- Extending coverage of social programmes targeted at vulnerable groups and which are deemed to be the most successful with particular emphasis on life skills and reducing unplanned pregnancies.
- Providing incentives for workers in rural areas and increasing their training levels.
- Increasing training levels of teachers, especially those in rural areas.

7 Special Studies

7.1 *General*

Throughout the CPA research, two areas of Belize kept emerging as being concentrations of poverty and other social and developmental issues. These were Belize South Side and Toledo: Belize South Side because of its poor housing conditions and concentration of social issues, particularly family breakdown and gang-fuelled violence; Toledo because of the very high incidence of poverty, its isolated location in the south of the country, and its population dominated by the indigenous Maya.

It was also considered desirable to examine how the interplay of economic issues, social problems, government and NGO programmes, and political considerations ‘played out’ in the field. Accordingly, the study undertook additional research in both these areas through transect walks, key informant surveys, and reviews of ongoing projects. The results are presented in this Chapter. Section 7.2 examines development and poverty reduction issues in Belize South Side while section 7.3 does likewise for Toledo.

7.2 *Belize South Side*

7.2.1 *General*

The Southside of Belize City comprises three political divisions - Lake Independence, Collet and Port Loyola – a combined area of about 15 square kilometres with about 5,300 households and 24,000 people. It is an older less developed area adjacent to wetlands with poor drainage, inferior infrastructure and inadequate public services. Land is not clearly demarcated, there are no zoning plans, and the area has witnessed a surge of lower income settlers due both to its proximity to the city centre, the absence of defined land ownership for what are essentially swamps, and the lack of alternative locations for those seeking to establish their own houses. Residential structures tend to be randomly located and poorly constructed and many lack basic sanitary services.

Unemployment is high, estimated to be well above the national average of 14%, and what employment exists is characterised by informality, low wages and casual labour. The area is particularly prone to the social issues described in section 4.6.4, namely family breakdown, poverty, drug trafficking that lead to a vicious cycle of anti-social behaviour, crime, stigmatisation and social exclusion. Violent crime in the area is a major feature: it is estimated that around 40% of the country’s murders occur in Southside which has under 10% of the nation’s population¹⁶⁹. And the problem appears to be getting worse: nationally murders increased by 45% between 2003 and 2007 (see section 6.6) with increasing violence and younger perpetrators. The local secondary school, Saint Martins is being used as a ‘dumping ground’ for difficult and excluded students from elsewhere in the city. The poverty of the area is also illustrated by the unwillingness of many residents to connect to the electricity and water networks.

¹⁶⁹ Using the average number of murders over the last 7 years, this gives a murder rate per 100,000 of 135 which would make it one of the most violent and dangerous non-conflict zones in the world.

A snapshot of social conditions amongst the poorest residents is shown in Table 7.1. Notwithstanding the facts that the survey is a small sample of some of the poorest households, the incidence of both single parenthood and unemployment is alarmingly high.

Table 7.1. Characteristics of Poor Southside Residents

Marital Status of Head of Household		Occupation of Head of Household*	
Married/ Common Law	25%	Full time	21%
Single Mother	69%	Part time/ seasonal	21%
Single Father	6%	Unemployed	53%
		Retired	4%
Total	100%	Total	100%

* May not include other working members of household.

Source: Survey of 90 recipients of house improvements, SPAP, 2009, Progress Reports.

7.2.2 Government Policy

There is general agreement that urgent action is needed to improve living and economic conditions in Southside and the area is specifically mentioned in NPEAP, 2007-2011:

Strategic Thrust 5: Strategic Support for Equity and Social Development

5.1. Develop and implement community based plans [and development programmes] for the specific needs of the poorest rural and urban areas, such as Southside Belize City.

In the revised NPESAP for 2009-2013, this policy remains but as an activity rather than as a separate strategy.

7.2.3 Government Programmes

At present, there are three important government initiatives that specifically target Southside:

- The Southside Poverty Alleviation Action Project (SPAP).
- The Yabra Police Station and Community Centre.
- The National Health Insurance Scheme (NHIS).

The Southside Poverty Alleviation Action Project (SPAP)

SPAP was initiated in 2006-07 using grant funds from the OPEC Fund for International Development (OPFIP) and is being implemented by the Ministry of Works. The project has a contract value of \$12 million of which just over half was allocated to drainage and roads, 20% to sewage (septic tanks) and landfilling/ landscaping, 10% to house improvements and most of the remainder to education/ training and social development. The major works (road and drainage) have been completed.

Project activities are now mainly concerned with house improvements and the installation of septic tanks. Those most in need in terms of poor housing and lack of funds are having their houses repaired, or more frequently rebuilt¹⁷⁰ by the project. To date around 240 out of a planned 370 houses have been

¹⁷⁰ Originally only improvements were envisaged but the poor condition of houses (e.g. through termite infestation, rotting wood) meant that full reconstruction was necessary.

improved. The average cost of these improvements is little more than BZ\$8,400 while the cost of a septic tank is \$4,500. Neither of these figures is considered excessive.

A noteworthy feature of this SPAP component is the use of local labour to carry out the work¹⁷¹. Two approaches were used. In the first, the implementing agency entered into multiple contracts with small contractors and carpenters from the Port Loyola Housing for the Poor (PLH4P) co-operative. While these contractors had limited finance, they felt secure that they would get paid because of the co-operative nature of the enterprise; around 350 people were employed in this way. The second approach was to directly enter into contracts with individual carpenters based in the areas undergoing works. Advances and stage payments were made to enable the contractors to maintain cash flow with suppliers. On balance, and although both approaches were successful and provided employment for small contractors, the executing agency felt that the second approach is generally preferable, although involving more administration and paperwork, as it maximised the use of labour from the communities themselves and provided 'on the job' training experience.

The social development component is currently being formulated and is programmed for implementation in 2010. This component will include courses in reading and writing English and conversational Spanish, computer and internet literacy, supplemental teaching in school subjects; training in typing and sewing; counselling and advice in job getting, educational opportunities, and personal appearance. The courses will be targeted at job seekers and students but will be open to all in the target areas¹⁷². The courses will be run out of hours and given by trained teachers and instructors. A feeding programme providing daily meals to needy residents will also be provided. It is intended to hire a course director. In essence, these are similar types of intervention to those operated by MHDST and several NGOs (see previous Chapter). It appears, however, that they have been formulated with little input from other agencies, e.g. the Ministries of Education and MHDST. This is a matter of concern.

A second phase of the project is being prepared based on a similar approach being applied to other parts of Southside. Additional emphasis will, however, be given to solid waste management. Funding is being sought but has not yet been secured.

The Yabra Policing Centre

The Yabra Policing Center was established in 2005 at the request of residents dismayed by rising crime and violence in order to provide a permanent presence in Southside. It is the flagship of the Department's community policing strategy. In addition to liaison activities with the local community and schools and acting as the base for Zone Liaison Beat Officers, the centre provides a recently opened computer centre, a drop-in facility and library, a lunchtime feeding programme for just over 100 'at risk' and needy children from the local school¹⁷³; summer lectures in health, drugs, and crime and the Cadet Corporation programmes run by BDF to teach self-esteem and discipline. It recently hosted a 3-week Parenting Training course for young and future parents with the objectives of building better knowledge and understanding of what it takes and means to be a parent. The course was run by the Community

¹⁷¹ The major civil works were undertaken by recognised contractors.

¹⁷² Queen's Square will be use for the pilot.

¹⁷³ Initially funded by the business community at a cost Bz\$5,000 for 2 months, the scheme is currently funded by the government.

Policing Unit in collaboration with Youth Enhancement Services while the meals are provided in conjunction with the Unity Outreach Ecumenical Ministries. There are also opportunities to link with other programmes: the Peter Lay Foundation initially worked with after-school groups and resident groups, e.g. the Yabra Citizen Development Committee and the Therese Felix Foundation.

The building where the centre is housed is as yet not fully occupied indicating that there is space for additional activities. Although constrained, as ever, by funding issues, the centre is considered to provide one of the few successful outreach interventions in the area as well as several examples of inter-agency co-operation.

The National Health Insurance Scheme (NHIS)

Southside was the initial target area for the NHIS with eligibility being conditional on social security enrolment. By 2006, it had been fully rolled out with most of the population being enrolled and, every year, around half availing itself of the services provide every year (see section 6.2). Table 6.25 suggests that the great majority of using its services found it 'helpful'. Anecdotal evidence also suggests that patients from other districts travel to Belize City to avail themselves of the services the NHIS provides.

7.2.4 Perceptions of Residents and Key Informants

Tables 7.2 and 7.3 describe the results of interviews undertaken during transect walks in Southside with residents and key informants while Table 7.4 summarises two focus group discussions with secondary school students and unemployed youth from Southside.

The results of all the discussions paint a generally consistent picture of poor housing conditions, high levels of poverty, lack of employment opportunities. Other constraints are the lack of land titles that restricts investment in housing, absence of credit finance for small businesses, and insufficient sport and recreational facilities. Together these have resulted in unhealthy living conditions, a proliferation of crime (often violent), drug use, low community cohesion (an absence of community groups), personal security sometimes leading to apathy and lack of involvement in children's upbringing or education, and high school non-attendance and drop out rates, all of which perpetuate a spiral of decline. In short, many of the issues described in section 4.6.4 are present in Southside but in a much more visible and concentrated form.

Several NGOs and government departments provide a range of educational and social assistance programmes in Southside¹⁷⁴ but these are almost always small scale with low coverage and usually only provide for the most destitute. The three major interventions described above are considered to be successful: SPAP has resulted in improvements to health and drainage which have, in turn, reduced interruptions to work and schooling due to flooding, in addition to improved living conditions; the Yabra Centre has been forging links with the local community, establishing a school feeding programme for needy children and working with a number of other agencies; NHIS has resulted in improved access to health services for much of the population. These are arguably the types of programmes that will provide the model for improving the plight of this area.

¹⁷⁴ The students taking part in the FGD could list virtually all of these.

Table 7.2. Perceptions of Southside Residents

Shopkeeper – female, 29 years	Housewife, (40 years) 9 people in a 3- bedroom house above a swamp	Elderly Resident (60), former Shop-keeper, now tradesman	Single Mother, early 20s
<p>Lived in Southside for 27 years. Her shop (4m² wooden structure) has been operating for about 1 year, selling hot snacks, food and drinks. The shop is connected to mains electricity and has drainage. She earns approximately \$50/day. Shop was established using savings. She applied for credit but was refused (BEST and Youth Start Enterprise); application process was cumbersome. She learnt of these groups from friends or newspapers, rather than outreach staff/ community liaison personnel.</p> <p>Shop has permit but no title. Her house is owned by her father.</p> <p>Her main concerns are how <u>crime</u> in the area affects business. Two weeks before a man was shot in daylight opposite her shop; on the day of the interview another murder happened in the areas. She considers the high rate of <u>unemployment</u> to be a major issue.</p>	<p>Household has benefited from SPAP drainage improvement (although drain broke during first major flood.). Husband can now work as access across the swamp is guaranteed but family could not afford BZ\$125 for garbage to infill the swamp; stating “<i>she begs for garbage</i>”.</p> <p>Expenditure has had to increase to cover electricity and water bills. However, expenditure on health has significantly reduced to BZ\$15-20/month indicating an improvement in health.</p> <p>Rain water used for drinking. The family built a septic tank.</p> <p>The household has difficulty in coping with economic and natural shocks. They have little in the way of social support structures.</p>	<p>Resident for almost 15 years. Gave up his business after being attacked – sees crime as disincentive to invest. Inherited house but no title; would invest in house if he had title.</p> <p>As a result his family live outside the city.</p> <p>Has been member of credit union and is currently trying to get credit from Unity Trust.</p> <p>Lack of community spirit and little trust between neighbours.</p>	<p>Lived all her life in Southside and 7 years in her current house but unable to trust even her next door neighbour to babysit her children. House owned by a bank which allows her to live rent free to prevent squatting.</p> <p>Clothing and food provisions for herself and her children are paid for by her absentee partner. She is unemployed. Attended parenting programme at Yabra Centre.</p> <p>Sense of being ‘trapped’ rather than being part of larger group leading to apathy.</p> <p>Neighbourhood groups have become defunct and community programmes along with them.</p>
Unemployed / Seller / Hustler	Elderly (76 years) cobbler (lives in rented property where he also works)	Shop keeper	Retiree aged 65 living rent free with nephew
<p>Left school at 14, didn’t graduate and took vocational training. Sells carvings and jewelry to make a living. Avoids begging. Considers the biggest issues to be unemployment and lack of activities for youth/ young adults.</p> <p>No support for artists and singers.</p>	<p>Earnings up to \$60 per day but affected by high price of materials.</p> <p>Had been subject to knife attack.</p> <p>Needed credit for his supplies; some knowledge of credit unions but not familiar with application procedure.</p> <p>High medical costs.</p>	<p>Access to credit is perceived as cumbersome. Although credit unions exist, they are not pro-active in the communities, so existing businesses are not able to realize their full potential.</p>	<p>Lack of social protection for the elderly.</p> <p>Received 3 free meals a week, otherwise had to go without or hustle.</p>

Table 7.3. Summaries of Key Informant Surveys, Southside

Principal , St. Martins Secondary School	School Teacher, Muslim Primary School
<p>The school accommodates 121 students aged between 13-21 years old. The school is considered a 'last chance saloon' for most of the children attending, as they have often been expelled or have academically failed at other schools. Therefore there is a sense that if the children don't graduate from this school, they will automatically fall into crime, 'hustling' and other informal mechanisms. The school is located in the heart of one of the poorest and most violent parts of Belize.</p> <p>There is an absence of parental support and a PTA is not maintained – in the past year it has been difficult to mobilize even one PTA meeting. The sense of <u>apathy</u> amongst parents may reflect the students approach to education.</p> <p>The annual school fees are BZ\$323. Approximately 50% of students and their families cannot afford this fee; there are no scholarships. The most vulnerable students have to resort to '<u>hustling</u>' (i.e. begging and sometimes stealing) in order to pay for their fees, clothes, books and food. The principal considers that approximately 5% of her students may be involved in <u>prostitution</u> in order to survive.</p> <p>Student support is provided by a full time councilor. Although there is an art club and dance club, there is an absence of after school clubs and sport activities for students to participate in.</p> <p>In these difficult circumstances, the school manages to graduate 70% of students. The remaining 30% drop out. A summer school is provided for those who are failing the grade. Reasons for dropping-out of the school are commonly due to teenage pregnancies, drug related incidences or involvement in fights.</p>	<p>Although a Muslim school, it actually caters for Garifuna (50%), Creole, Mestizo (mostly from Honduras), and Christians. The children are often 2nd and 3rd generation of immigrant families to the city from the districts or overseas. It is thus used by some of the poorest families in the city who simply cannot afford the fees to send their children anywhere else. Although fees exist, they fluctuate to account for levels of household poverty; in many cases they are simply not paid. Whilst the school is publicly and privately funded, it aims to raise revenue from parents, which it currently has difficulty in doing.</p> <p>Health issues related to poor diet are a concern. The recently introduced '<u>feeding programme</u>' for underprivileged kids (see above) is considered successful in ensuring the poorest children are provided with at least one stable meal per day. These children often come from families who cannot provide them with food. Children often come to school without shoes.</p> <p>The most vulnerable households were unable to cope with economic shocks: there were frequent cases of <u>children being held back from school</u> due to their parents facing sudden unemployment as they feared that they would be unable to pay the fees. Yet the school would support these children if parents spoke to the teachers or principal. By waiving or reducing fees. In some cases, teachers thought that the children may be working.</p> <p><u>Parental apathy</u> is also apparent in this school. Parents take little pride (evident in their lack of involvement in the school) with school projects or visiting the school; there is no PTA.</p> <p>After the implementation of SPAP, attendance increased as children could now cross the swamps and access facilities in the town. Houses now have access to public utilities and are linked to a drainage system. Many of the infamous 'London bridges' have been demolished and the swamps have been infilled, allowing informal houses to upgrade.</p>
Police sergeant, Yabra Police Station	Nurse, Port Loyola
<p>The police station was established to provide a visible police presence in Southside and an outreach and support centre for the community. The police (through informants from the community) can refer problems to other agencies who can then tackle the issue (see above for details of the programmes).</p> <p>Parents are reluctant to get involved in programmes often because they don't want their own children to reveal that they themselves may be involved in crime.</p> <p>There is a local perception that police officers at Yabra are overly concerned with social issues rather than arresting suspected criminals.</p> <p>Some communities have organized their own citizen development committees.</p>	<p>She saw around 2,000 patients in 2008.</p> <p>Key health issues are waterborne diseases resulting from overflowing cesspools and open drainage during flood periods. There has been a small decrease as a result of SPAP but the project needs to be extended to the whole of Southside.</p> <p>Vulnerable groups include the youth due to unprotected sex – high HIV and abortion rates. There is a general lack of self-care management allied to sugar daddy/ mummy issues.</p> <p>Human resources are a restraint on the health service as is the design of the clinics: only specialist contractors can work on the building, which means incurring higher costs for maintenance.</p> <p>Availability of Belizean staff is also an issue with the Govt reluctant to pay for Belizean national doctors, who are more expensive than subsidized Cuban staff or doctors from elsewhere.</p>

Table 7.4. Focus Group Discussions with Unemployed Youth and Students in Southside

Issue	Unemployed male youths/ young adults	Secondary school students
Causes of poverty/ hardship	Very poor quality housing in flood prone swamps. Lack of employment leading to severe poverty.	Lack of money and jobs.
Impacts	Lack of education due to inability to pay school fees and lack of prospects. Lack of discipline & interest. Stigmatisation - Northside people are favoured. Some women involved in transactional sex (therefore at risk from STIs; men involved in illicit activities - drugs, gangs, gun crime, etc.	Lack of education, therefore skills to find jobs; lack of interest (laziness); unhygienic conditions therefore ill-health; crime Women work as domestic maids, further steal food from workplace or others' garden; illegal jobs (drugs); Reliance on remittances from relatives abroad (US)
Assistance received	Youth programmes; City Council summer jobs; skills training. Numerous NGOs and govt. agencies mentioned indicating a high degree of knowledge of what organisations are doing. Assistance received is quite good but it is short-term. Existing interventions need to be strengthened.	Numerous NGO and government departments offer services- trade related classes for school drop-outs, sex and health education, scholarships, food, help for street kids and the elderly, sport activities, Arts, counselling for single mothers. Assistance is moderately successful but needs to be extended.
Priorities	Jobs/ job opportunities Subsidies/ grants for entrepreneurs Education support and skills training; role models and counselling. Sport facilities Improved services A political commitment to Southside.	Addressing unemployment and crime; education finance for youth; solid waste management. Rehab centres; counselling by mentors/ role models on HIV and other issues; effective media based counselling; enhanced sport facilities; address price rises.
Comment	Whereas the unemployed FGD saw an unbroken cycle of poverty, lack of education lack of employment, the students considered that their situation had improved because their parents were able to send them to school.	

Source (all tables): PPAs.

7.2.5 Study Implications

The issues in Southside are different more in degree than in character from those described for the country as a whole. Its urban situation, however, exacerbates the situation by eliminating the safety nets provided in rural areas by access to land and longer established and more cohesive communities. An important and positive conclusion is the opinion of the young that with greater care from their parents, increased training and job opportunities, far fewer would become engaged in crime and other risky behaviour. Based on the above, recommendations need to address the following priority issues:

- The poor quality of infrastructure, especially drainage and housing.
- The social issues related to poverty and unemployment: low level of educational attainment, poor parental practices, family break-up, crime and violence.
- The lack of credit for small business operation and expansion.

In terms of institutions the priorities are:

- Developing community organisations.

- Achieving greater inter-agency co-ordination.
- Establishing a procedure for reviewing the implementation of programmes and projects and using this to build on their strengths and eliminate their weaknesses.

Even if all these issues are successfully addressed, the most critical issue of all will remain, namely the lack of jobs. This is an issue which affects the whole country; it is also largely outside the government's control. However, unless the social issues which currently restrict the employability of Southside residents are reduced, it is difficult to see how the area could benefit even if the availability of jobs suddenly increased across the country. And there is every incentive to reduce the high crime rate in the area which is adding to policing costs, ruining the lives of many residents and, if unchecked, will do so to the residents of the future.

7.3 Toledo

7.3.1 Socio-Economic Context¹⁷⁵

Toledo is the southernmost administrative district of Belize. Guatemala lies to the south and the west and the Caribbean Sea to the east. Its current population is estimated to be around 31,000, just under 10% of the national population. Population growth is slightly below the national average, in contrast to the 1990s, when it was higher. The population density is around 7 persons per km² making it easily the most sparsely populated district of the country; its rural population is also the most dispersed being spread between over 50 villages, over a quarter of the total. Toledo's population is exceptionally young with 43% being under the age of 15 compared with 34% nationally. Average household size is much higher: 4.9 persons compared with 3.6 persons nationally. Table 7.5 provides a summary of key socio-economic indicators for Toledo and compares these to the national average.

The population is ethnically diverse: approximately 2/3rds are Mayan, with the remainder split between Mestizos, Garifuna, Creole and East Indian. While the latter are concentrated in Punta Gorda and other mainly coastal settlements, the Maya dominate the hinterland. The Maya arrived in the area from Guatemala in the late 19th/ early 20th centuries to work in the German run plantations near the border. Since then they have spread eastward and, latterly to settlements along the Southern Highway. The longest standing inhabitants are however the Creoles and the Garifuna who arrived in late 18th and early 19th centuries. The two most recent population trends have been: (i) the arrival of Mestizos, mostly from Guatemala, who have settled in Punta Gorda, the main centre and in the northern part of the district where they work in plantation agriculture and shrimp farming; (ii) further Mayan immigration from Guatemala. Although Punta Gorda has grown, in common with the rest of the country, there has been no rapid urbanisation, despite a significant increase in its Mayan population due to rural-urban migration.

Agriculture remains the predominant economic driver of the district, followed by a small mining sector and an emerging tourism sector. Agriculture accounts for over 42% of the employed population compared with 16% nationally. As a consequence of the dominance of agriculture, average wages in the district were little over 60% of the national average (2000). Agriculture is predominantly small scale based on the *milpa* system, a variant of 'slash and burn' which the Mayas have developed over the

¹⁷⁵ Much of this and the following section are drawn from Harrison J., et al (for GoB/ DFID), 2004, Toledo: A Study in Elusive Development. Other data comes from the 2000 Census and more recent information.

centuries. The main cash crops are black beans (almost 80% of national production), rice (29%) and corn (7%). Cacao production developed in the early 2000's but declined sharply between 2006 and 2007 due to disease. In general, commercial production is constrained by the relative isolation of the area from the rest of the country, despite the opening of the Southern Highway in 2002. Trade with Guatemala, which has expanded in recent years, may offer greater potential. As a result, much cultivation is primarily for subsistence. Livelihoods are supplemented by small scale trading and off-farm work; as noted, there is a small urban rural drift to Punta Gorda.

Table 7.5. Toledo: Socio-economic Indicators, 2009

Indicator		Toledo	Belize	Ratio
Population	% of population living in rural areas	82	49	1.7
	% Maya	69	11	6.6
	Average household size (persons)	4.9	3.6	1.4
	% aged under 15	43	34	1.3
Poverty	% poor households	46	31	1.5
	% poor population	60	41	1.5
	% indigent households	38	10	3.3
	% indigent population	50	16	3.1
Employment	Unemployment Rate	13	13	1.0
	% employ in agric	42	16	2.6
	% elementary occupations	20	24	0.9
Education	% of population not attending school with no or primary education only	78	67	1.2
	% of head of households with no secondary education	42	19	2.2
Housing	% not owning their dwelling	15	33	0.4
	% of Households with no WC	65	33	2.0
	% of dwellings with no concrete or brick walls	67	51	1.3
	% of households who get drinking water from standpipe, well or river	13	3	3.9
	% of Households who do not use electricity for lighting	35	10	3.5
	% of Households which have 3 or more persons per room	38	9	4.2
Durable goods	% not owning TV	49	19	2.6
	% not owning cellphone	57	26	2.2
	% not owning motor vehicle	80	65	1.2
	% not owning computer	83	73	1.1

Source: LSMS.

The combination of restricted markets due to its location¹⁷⁶, dispersed population and low agricultural productivity, compounded by an absence of local market towns to buy and sell goods, have entrained a limited purchasing power for Toledo's residents, and a generally low level of socio-economic development. Together these have resulted in a very high level of poverty as well as housing (see Table 7.5) and health conditions substantially below the national average. In 2002, almost 80% of the population and 67% of households were classified as poor. The levels of indigence were also high: 56% of population and 45% of households. Furthermore, virtually all the high poverty villages in Belize are located in Toledo along with around half those with moderate poverty levels¹⁷⁷.

Despite intensive development efforts in terms of infrastructure and NGO community development and income generation programmes, poverty in Toledo remains very high - 50% of the population is indigent and 65% are poor – and it remains the poorest district in the country. Yet poverty in Toledo has, unlike the rest of the country, decreased since 2002. Likely reasons are the intensive development efforts, an increase in cocoa cultivation, and more off-farm employment opportunities. Additionally, by its very location, Toledo is less connected to the rest of the economy and has thus been less affected by the recession. The district also largely escaped the devastating floods of 2007 and 2008 whereas the 2002 survey took place soon after severe flooding in 2001 which destroyed a large proportion of that year's crop.

Infant mortality (2007) was substantially higher (25 per 1,000 compared with 17 per 1,000 nationally) and the population is at greater risk from malaria and water-borne disease; the proportions of stunted and underweight children were much higher than the national average. Overall, in 2006, most mother and child health indicators in Toledo were worse than the national average¹⁷⁸. Some improvement is also likely to have occurred over the last 3 years due to the expansion of health facilities in the district. Health issues were not, however, mentioned with great frequency during the PPAs. Arguably more worrying is the much higher acceptance by women that partners can be justified in beating their wives and lower knowledge of HIV/AIDS issues; children are also more likely to be beaten or psychologically abused. Conversely, amongst the Maya, only 16% of children are not living with both parents compared to 37% nationally.

Education indicators have improved in the last few years due to major efforts to increase the number of schools. As a consequence, examination pass rates show little variation from the national average as do school enrolment rates (which are low at secondary level in all rural areas). However; the transition rate from primary to secondary was significantly lower (76% as against 86%) while primary (but not secondary) school repetition rates are higher. Additionally, contrary to the national trend, there were substantially more males than females attending secondary school.

The PPAs reveal that many households considered that living standards had changed for the worse and that they felt less secure in terms of shelter, food, water and safety; although others considered that there

¹⁷⁶ For example small citrus producers in Toledo have difficulty in marketing themselves as they are restricted by the distance to processing plants, and the costs of licensing arrangements largely exclude small farmers (Santos field note. Cited in Harrison J et al (2004) p. 26)

¹⁷⁷ Results of poverty mapping exercise using 2002 LSMS, cited in [NPESAP, 2009-2013](#).

¹⁷⁸ MICS, 2006, Summary Indicators for Women and Children (downloaded from SIB website). Corozal also did not fare particularly well on these indicators.

had been little change. The Village Surveys (undertaken with village leaders) also reveal a contrasting pattern with over twice as many considering that economic conditions had improved as those which considered that they had got worse; the remainder considered that there had been little change. In sharp contrast, only a quarter were generally satisfied with their current situation while over three quarters were dissatisfied. These contrasting views reflect both the variety of opinion within communities, the differences between villages and a general dissatisfaction with government performance as a result of promises not being kept or projects failing. Conversely, there was a greater consensus that education had improved and that, in a number of villages, programmes had led to an increase in community involvement.

The continuing high level of poverty, increased food insecurity, resulting from a growing population unaccompanied by increases in productivity or land supply, and an increase in the price of imported goods have made many resort to coping strategies such as the age-old illegal practice of cross border trade with Guatemala, activities which are now illegal (logging and 'ketch and kill' (hunting) in protected areas), allowing cattle to trespass beyond previously agreed boundaries, as well as more traditional ones such as small scale trade, home production and off-farm work. An increase in alcoholism and drunkenness is also reported. A perceived decrease in water security is paradoxical as many villages have benefited from new water supply systems; yet these often break forcing a return to the use of water from streams and wells.

7.3.2 *Previous Government Programmes*

Successive governments (colonial and post-independence) have been concerned with the development of Toledo for many years. Since the late 1970s, several major rural development projects (with a total investment of around US\$30 million¹⁷⁹) have been implemented. All those except Community Initiated Agricultural Development Project (CARD) which had only just started, were reviewed in the abovementioned Toledo study. Yet despite these projects, most of which purported to build on the lessons learned from previous interventions. So why has their legacy been so limited with poverty remaining at a very high level? The report identifies 5 main reasons for this situation:

The geographical situation of Toledo: makes public utilities and public services – water supply, drainage, solid waste management, health clinics, schools - both costly and difficult to maintain. This dispersion increases production costs and reduces competitiveness. Even with the discovery and export of Belizean crude oil, fuel costs remain relatively high. Feeder roads leading from the main arterials are single lane, unsurfaced and often designed for pedestrian rather than vehicle movements thereby restraining agriculture practices from advancing into mechanised self-sufficiency with good access to markets. Road rehabilitation costs are high on a per capita basis and per capital expenditure, with external funding for such activities being slight. Whilst not wholly responsible for the district's low agricultural productivity, the *milpa* system dictates a transient use of land, making drainage and road construction expensive and cumbersome to plan and manage, and encourages run-off and leaching of nutrients, thus reducing soil fertility.

Project design: projects targeted single sectors without appreciating the degree of inter-relationship with other issues. They were also designed with little integration and thought to the cultural fabric of Belize.

¹⁷⁹ Excluding the construction of the Southern Highway.

Projects have also been superimposed on already fragile governance and institutional systems. In doing so, local knowledge has been under-utilized and capacity issues under-estimated. Little attention has been paid on the pace and direction of change which these projects endeavour to make and how these contrast with existing social outlooks and institutional structures. There was little attempt to consider the role of women.

Sociological issues: in addition to generally under-estimating the importance of social issues in project design, there has been a failure to appreciate the diversity of the cultural landscape and in particular the “*tendency to treat communities and groups as homogeneous*”. This has meant both that projects have experienced resistance, especially where they involved changes to the prevailing small holder/ communal land tenure system, and that much more time and effort is needed to successfully introduce new programmes.

Lack of participatory processes: introducing new rural interventions is difficult at the best of times and early projects took little account of participants’ attitudes or knowledge. While this has undoubtedly changed, ‘participation’ has often been cosmetic rather than substantive with little input to the actual design of projects – the most important issue of all. More fundamentally there has been an inability to understand the potential impact of projects in terms of Mayan customs, aspirations, historic cultivation practices, inter-community differences and general belief systems.

The Toledo study notes that increasing efforts have been made over the years to developing effective, acceptable and people-centered interventions yet the last programme mentioned, CARD, was already considered to be running into problems when the report was written. Furthermore the evaluation of CARD prepared in 2005 painted a bleak picture:

“After almost three years, the project has made no impact on increasing farm output, income or diversification, of the production base..... There is a real crisis of confidence at the regional/ local level about CARD and how it effectively benefits the poor rural population.”¹⁸⁰

And the reasons given are familiar: (i) failure to account for weak capacity of beneficiaries to evaluate and identify their problematic situation due to social and cultural factors; (ii) managerial and operational issues including lack of adequate training, compartmentalisation of activities; (iii) inability to adapt project parameters as problems are identified¹⁸¹.

¹⁸⁰ NHDAC, 2005, NPESAP 2006-2010: Outcome Evaluations of Existing Poverty Reduction Measures, Belmopan.

¹⁸¹ Ibid.

7.3.3 *Current Programmes - Belize Rural Development Project (BRDP)*

The main features of BRDP, in many ways the successor to CARD, have been described in Chapter 5. In this section, we assess how it is being implemented in Toledo based on interviews at the field office in Punta Gorda and project field visits.

The View from the Toledo BRDP field office

Key implementation issues were considered to be:

- The lack of available resources (personnel, equipment, vehicles and IT) at the project management level has affected impacted the ability of BRDP to implement projects, to diversify the project menu and to effectively monitor projects.
- The restrictiveness of the BZ\$25,000 sub-project ceiling prevents the implementation of larger subprojects which could entrain more substantial benefits. If BRDP had a larger amount of capital in its fund, financial sustainability could be sought by developing a revolving fund mechanism.
- Historically, co-operation between organisations working in Toledo has been low. Networking between development agencies should therefore be strengthened so that project experience can be shared between programme implementers.
- Similarly, networking between BRDP and farmers needs to be strengthened so that best farming practices can be shared across the region along with more outreach and training to improve cultivation and animal husbandry productivity and increase diversification.
- The success of sub-projects would be enhanced by simple cost-benefit analysis at the approval stage. Likewise, there is a need for improved technical and financial monitoring during implementation through the introduction of some financial monitoring and book/record keeping.
- Little prior experience of market gardening and livestock rearing.
- Land tenure issues.

However, the major issue was deemed to be the need to redress the absence of adequate marketing and product development as several entrepreneurial ventures undertaken by rural poor groups fail because of the lack of research into what the market wants and how best the recipients are to service such need. An example of this is how farmers in Toledo are now attempting to change their cultivation patterns to cater for the growing organic cocoa market for which a quota is provided by Green and Black¹⁸². In this instance, the growers are able to negotiate prices directly with Green and Black, who run a local office. There will, however, always be a vulnerability to world market prices and demand. Cultivators therefore need to be wary of becoming mono-croppers and neglecting the production of subsistence crops.

BRDP in Toledo – Study Team Comments

A number of important lessons have emerged from the research undertaken in respect of BRDP. Most importantly, BRDP is successfully implementing projects, has substantial resources available, is using

¹⁸² Large manufacturer of organic chocolate.

experienced NGOs as executing agencies, and is emphasising a beneficiary-based approach. Targeting of small businesses and women in poor households is also considered to be good¹⁸³.

However, there is an absence of co-ordination with other programmes and projects – microfinance for entrepreneurial activities is also being provided by SIF and Help for Progress (HfP) – yet there is little co-ordination with these agencies in order to improve the design of projects or to prevent duplication; nor is there evidence of lessons from similar projects elsewhere in the region being brought to bear. The time-limit for disbursement, as well as annual targets, can create an incentive to implement projects over too short a period; yet the project implementation in Toledo is complex given the lack of obvious markets, its social and cultural complexity, the current low status of women which reduces social networking, and the low absorptive capacity of many, especially poor, beneficiaries.

Despite the establishment of an independent Project Management Unit, the BRDP is still subject to undue political influence through the District Development Committees (DDC). This can both thwart adherence to its overall principles and cause discontent in communities ‘missing out’ on sub-projects. The relationship between DDC and GOB needs to be strengthened. Without transparent co-operation between the parties there is every opportunity for decisions made to be based along political lines rather than a national policy agenda. Increasing the alignment of stakeholders involved in project preparation will facilitate targeting of the neediest settlements.

BRDP is adapting as it moves forward thus responding to both the constraints of the project and the demand from the beneficiaries – in particular the financial cap placed on loans has been relaxed. Its effectiveness is however likely to remain limited due to difficulties in creating markets for products from its income generation projects as a result of Toledo’s poor road links to the rest of the country and Guatemala.

The capacity of NGOs has also been identified as a major factor to the success or failure of projects. Enhancing the capacity of NGOs to efficiently deliver, on time and on budget, as well as transferring knowledge to the end user is critical in the sustainability of BRDP projects. BRDP should encourage successful NGOs to expand their activities.

7.3.4 *The Tumul K’in Centre of Learning*¹⁸⁴

Tumul K’in, meaning ‘New Sunrise’, is located in a Mayan village of the same name close to the Guatemalan border. The Centre of Learning is an alternative learning center, not a school, that initially targeted high risk Maya youth aged from 14 to 21 years. The original youth involved were considered high risk because they had already left public school and yet lacked the information and skills needed to protect them from HIV and AIDS, and from income generation through anti-social activities. Its ethos is that of developing a system of education whereby the learning provided is directly related to the experience, needs and aspirations of its students rather than through the imposition of set curricula.

¹⁸³ Rosberg, 2008, op. cit.

¹⁸⁴ This sub-section is based on information derived from Study Team field interviews and additional material supplied by Dr M. Rosberg.

This approach has allowed Tumul K'In to engage otherwise lost youth in learning. At Tumul K'In, some of the food consumed is grown by the youth. In a video, the former principal (now a member of the Board) is shown using a local stick in traditional Maya fashion to space rows evenly for growing corn. In the next scene, the same adult and these youth are in a classroom learning the math related to the concept of equidistance. The instructor is making use of the same stick he had in the cornfield. The theoretical implications of what was being done in the morning are being conceptualized in the afternoon in a more traditional learning context. At Tumul K'In, the youth are producing some of the food they eat; their parents pay the remaining costs. The Center of Learning is not a government or a church school and has thus been able to remain free from political pressures.

The centre also provides adult education, vocational training in tourism, social sustainability classes and develops income generation projects. In regard to the latter, the centre received BRDP grant-funding for an income generation product which aimed to provide food processing and marketing for a honey production and bottled water facility. The funding has enabled Tumul K'in to collect and purify 5000 litres of water from the roof of their building. Product development was also part of the scheme, with staff making site visits to Stann Creek and Placencia to give exposure to the product.

The Centre of Learning provides some important lessons for development programmes in Toledo:

- The need to create an environment where implementation decisions are free from political influence.
- An emphasis on education but for a defined target group (Mayan youth) not currently attending school and which (i) focuses on being relevant to the needs and aspirations of this group; (ii) is based around the relationship between these needs and the overall social, cultural and economic context; and (iii) is closely linked to 'vocational' income generating activities.
- Business acumen is still insufficiently developed to address the issues of marketing and distribution of the product while its remoteness from large market towns limits how much can be sold.
- The project could be scaled-up if granted more finance, which is made difficult by the cap on BRDP loans (now relaxed).
- There was no involvement from the Toledo Development Corporation (TDC), and therefore no contact with other NGOs in the region to glean experiences from similar income generation projects.
- Although the project concept was quickly accepted by BRDP, approval took a year. This was partly due to key personnel within the District Development Committee and BRDP Toledo having two jobs and thus slowing down the process.

7.3.5 *Help for Progress (HfP)*

As described in section 5.6.3, HfP is an NGO which has been working in Toledo for over 25 years. The Study team held an interview with the HfP field office and visited one of their projects.

HfP Field Office Meeting

An interview with the technical field officer for HfP revealed some of the constraints and weaknesses affecting microcredit programmes in Toledo. In particular, reluctance by communities to participate in microcredit programmes stems from unsuccessful schemes in the past. In one scheme, broiler chickens

were purchased by households to produce eggs which in turn would be sold for a profit. However, the scheme was not clearly explained and as a result the majority of households killed their chickens rather than using them as long term investment. Consequently the village fell into debt. Other schemes to develop crafts in villages have failed due to the lack of marketing, an oversupply of products and the *de facto* difficulty of selling goods to a geographically isolated communities and towns.

HfP Project Visit

A visit was made to one of HfP current projects, in Pueblo Viejo, in Toledo. The Ketchi Mayan village is located about 1.5 hours drive from the regional capital of Punta Gorda and approximately 9km from the Guatemalan border. The village currently produces a surplus of corn and beans which it trades for other goods. A Focus Group Discussion was held between the consultant and 13 members of the women's collective.

A number of initiatives had begun in Pueblo Viejo since February 2008 when HfP organised a women's group. Without jumping directly into a project, HfP have sought to organise the women into a unit through capacity building exercises. The project started on a small scale with 13 members. HfP approached the community in the first instance, implying the project recipients were 'reactive', i.e. had not previously contacted HfP. Yet it was the villagers living in Pueblo Viejo that chose the project. Choosing to utilise unused sewing machines located in the school, the women decided upon a small start up scheme and training programme that would teach them how to sew, so they could diversify their trade with Guatemalans living across the border. A business plan for the women's collective was written with assistance from HfP. Identifying fund raising opportunities and cultural awareness opportunities, the plan realised that to be successful it needed to keep the group mobilised through commitment from both the NGO and the members. For the Mayans, they committed to the project by collecting one dollar each week as an attendance fee from members.

Key issues arising from the project in Pueblo Viejo, and which are also likely to be similar to those found elsewhere in Toledo are:

- The strengths: with substantial effort from HfP, the women's group has remained active and committed. Exchange visits to other communities have also provided opportunities for the group to discover a range of livelihood opportunities ranging from chicken and pig rearing; establishing a tropical nursery; to buying a rice 'huller' or selling baked produce.
- The weaknesses: reading and writing is poor in Mayan Ketchi communities thus limiting initial performance of the project and increasing the assistance needed from HfP. The patriarchal Mayan society has required guidance from HfP to explain to Mayan men that any profit expected to emerge from the project will take time.

HfP Operations – Overview¹⁸⁵

HfP is one of the longest standing and most experienced NGOs operating in Toledo. It espouses and operates an approach which is essentially demand-driven. Yet the above project demonstrates the

¹⁸⁵ Although these comments largely stem from the meetings with HfP, they are almost certainly applicable to most NGO operations in Toledo. They should not therefore be taken as a specific criticism of HfP operations.

difficulties of successfully implementing community development/ income generating programmes in Toledo:

Low technical capacity and knowledge base of communities and their members make the adoption of innovative credit and income-generating activities a protracted and resource-intensive process for NGOs. It also means that projects will take a long time before they are properly established and financially sustainable. In Toledo, capacity building is a term which cannot be taken lightly. Efforts to introduce projects need long term commitment of finance and personnel from NGOs. The situation is further complicated by the difficulties of targeting women in inherently patriarchal communities.

In general there is insufficient account taken of the practical knowledge gained by field officers in the design of projects and the allocation of financial resources by head office staff. Consequently, finances raised by NGOs are often not disbursed in accordance with the needs of project beneficiaries and their ability to absorb them. There is a need to use local field officers in identifying which communities should be targeted how. There is a need to direct intervention to settlements where the HfP process can be scaled up, allowing stronger and better organised communities to assist in the learning and development of weaker communities.

Co-operation between NGOs has to improve, both to avoid duplication, and to share successes and failures of what is, without any doubt, a very difficult environment to make significant progress. The institutional skills learnt in the field and the success of projects, particularly those that have imbued a sense of leadership and progress in erstwhile patriarchal societies has not been shared with other institutions.

7.3.6 Toledo Development Corporation

The government-funded Economic and Social Technical Assistance Project (ESTAP, 1997-2001) incorporated a participatory planning approach towards development in Toledo. This development plan proposed the establishment of the Toledo Development Corporation (TDC) as a mechanism to ensure implementation of projects in the south. It was envisaged that TDC would “*cultivate a collaborative partnership between the public, private and community sectors*”.¹⁸⁶ An interview held with Dr. Palacio, the Director of TDC later confirmed that the objectives were to co-ordinate development, rather than to initiate, fund, or manage projects in southern Belize.

This limited role, whereby TDC has very limited ability to initiate, fund or manage development projects, is compounded by the absence of a formal, approved mandate from Government. Consequently TDC operates in a quasi legal void. Whilst its foundations were supported by GOB, its operations later became blighted by accusations of corruption from partisan politicians. The lack of transparency in TDC’s operation combined with influence of party politics on the organisation have resulted in the corporation appearing to flounder. The lack of authority given to TDC has thus resulted in staff levels being minimal and financial resources being highly constrained. This lack of resources allied to the absence of a formal mandate means that TDC has little ability to fulfil its primary role, i.e. the co-ordination of development in Toledo, a crucial function yet which has hardly ever existed (see Box 7.1). In this context, TDC pointed to the dependency of Toledo communities on NGOs who often lack the

¹⁸⁶ ESTAP, 2000, Regional Development Plan for Southern Belize.

commercial knowledge needed to make income generation projects successful; in consequence, expectations are raised only to be dashed leading to disillusion in both communities and NGOs.

Box 7.1. Lack of Coordination between Stakeholders in Toledo

Some donor funded development projects reveals the faults in the design process. For instance many farmers cultivate corn as it's a staple part of the Mayan diet. Drying corn takes over 6 hours. To hasten the process a corn mill was funded as a micro-enterprise development project. However, farmers from various villages didn't want to travel or share the facilities of the corn mill. An additional 4 mills were constructed in nearby villages, but none of them became competitive. Consequently, all the mills closed down and the farmers resorted, once again, to drying their corn by hand.

Source: Interview with Palacio (1999) cited in Harrison, et al.

The largest project operated by TDC in terms of finance and duration is the Leadership Training Programme, financed by UNICEF and SPER, an Irish NGO; the programme has an operating budget of BZ\$62,000. The programme's intention has been to gather data at the village level on the demographics, health and education levels, to ultimately provide a SWOT analysis. A monitoring and networking facility for all the villages involved in the project can follow from this work as well as the preparation of village strategic plans. But again the question of duplication arises. NAVCO currently has a national programme to get villages to produce Community Development Plans and other Ministries regularly collect data for their own purposes.

TDC has however, achieved some success by providing advice on the distribution, marketing and quality control of tortilla chips. Other programmes, all small scale, include a school feeding programme, school gardening projects, and technical advice for some other projects.

TDC also commented that development planners and donors preparing projects often failed to appreciate that innovators and entrepreneurs are not necessarily present in each village. By extension, this implies that more could be achieved if funds were targeted at existing businesses wishing to expand their operations rather than directly at the poor.

Study Team Comments on TDC

TDC's primary *raison d'être* as an institution to coordinate and manage development efforts in the district has never been fulfilled, nor has its strategic plan ever been implemented, thereby causing initiatives and programmes to remain on the drawing board. It has also meant that development in Toledo has proceeded on a piecemeal, often duplicative, manner. Further, the political will for TDC has been partly usurped by donors who have provided funding for programmes independently and which may not necessarily reflect the strategic aims of the organisation or GOB. This has resulted in donors controlling the demand of projects, rather than guidance coming from the state or from communities.

What communities want is absent in the design process of TDC projects which is essentially top-down – in contrast to SIF's model of a demand-driven process which despite imperfections has been successfully applied for many years. In theory this could be applied to TDC projects but it is doubtful if current staff and technical capacity is adequate for this approach. Ultimately, like all developmental projects, the commitment to communities has to be long term.

TDC has also been severely damaged by corruption and transparency issues resulting in a loss of government support and credibility amongst the populace. For these reasons, TDC's current ability to

influence development in Toledo is highly limited and without a major injection of political support, funds and dynamism, it is hard to see how the situation can change. And yet the need for a locally-based agency to map out and co-ordinate development in the region surely merits a high priority.

7.3.7 Community Infrastructure - SIF

Whereas the achievements of income generation and community development are difficult to assess, what is undeniable is the improvement in the provision of physical infrastructure, especially water supply, roads, schools and health facilities. Table 7.6 shows the current level of provision of infrastructure in Toledo.

Currently three quarters of Toledan villages have a piped water supply, over 70% have good road access and almost all have a primary school. Around 40% have a health facility (close to the national average) and just under half have mains electricity. The Table also shows that many villages will have gained new or improved facilities in the last few years. Taken together this represents a major improvement in local infrastructure which can be expected to contribute to improved living conditions, better health and higher school enrolments.

Table 7.6. Toledo: Infrastructure Provision in Last 5 or so Years

Indicator	Piped water	Mains electricity	Good road access*	Primary School	Clinic/ health post
% of communities having	75%	46%	71%	96%	42%
% of communities where improvement occurred in last 5 or so years**	67%	42%	46%	79%	29%***

* Paved or good dirt road.

** Many of these projects consisted of improvements, extensions and rehabilitation, and not wholly new facilities.

*** A new hospital has also been opened in Punta Gorda.

Source: Village Survey, 2009 (based on 50% sample of rural communities).

Virtually all the above infrastructure has been built by SIF using loan and grant funds from the CDB and others. SIF is increasingly adopting a demand-driven model by basing its projects around more participatory approach with beneficiary communities than hitherto¹⁸⁷. It is also undertaking more 'holistic' projects whereby investments are multi-sector rather than single sector. An example is the Dolores Project in western Toledo.

Dolores Integrated Village Development

SIF considers this project to be an exemplar of its demand-driven and holistic approach to community upgrading. Dolores village is a Mayan settlement 0.5 km from the Guatemalan border in Western Toledo. The village is located on private land, part of a large estate dating back to the late 19th century when private landowners developed plantations on defunct logging concessions¹⁸⁸. This caused some concern as to what could or couldn't be built as the land is still technically squatted.

¹⁸⁷ SIF's activities are described in more detail in section 5.10.

¹⁸⁸ See Harrison, et al., op. cit.

The community wanted a school building and on-site housing for its teachers. The Ministry of Education provided assistance along with the international NGO 'CARE'. The community participated in identifying the need and choosing suitable sub-projects. As a result of this approach, water and sanitation have also been installed at village level – not for each household as has a community telephone, in addition to the school and associated housing. A maintenance training manual was also provided for the community so they could provide upkeep of public facilities, rather than relying on SIF and ministries to manage buildings and services.

Despite every effort by SIF to design an integrated project supported by the community, the Dolores project still illustrates some of the problems which beset development in Toledo. Thus the community remains dependent on SIF/GOB to fix structural and even human resource issues. Whilst sweat equity can be used to a point, actual repairs and upgrades require funds not available to Mayan communities where a cash economy is largely absent. As a result, the ability of communities to maintain their public facilities is limited. Yet nor are these funds available through SIF or line ministries. In consequence, newly constructed facilities can quickly become inoperable or fall into disrepair (see also next section).

Financially accountability needs to be improved with field expenses audited against the project scope and what was actually built, and shared with the community. In this case, the school was built with fewer classrooms than planned, apparently due to the need to reallocate the budget to allow for deeper, and more expensive, foundations. Assuming this is true, it is disappointing that SIF was unable to come up with the additional budget required. It is important to demonstrate financial transparency to the community if distrust and suspicion is not to be engendered.

7.3.8 HOPE (Helping Older Persons Equally) Toledo

HOPE was established in 2003 and is the only 'home grown' Belizean organization working to benefit the lives of older persons in the Toledo District. It has addressed the issue of poverty amongst the older population and has been providing a variety of services by way of cooked meals twice per week to the poor homebound and also medical care to older persons in the villages in the District. Unlike most NGOs, which have been developed through the assistance of international donor organizations, HOPE's establishment results entirely from the initiative of local people who saw a need for this type of service in Toledo.

7.3.9 PPA Findings

PPAs were carried out in three Toledo villages, San Roman, San Lucas and Yemeri Grove. Additional insights were obtained through individual interviews during the Consultants' research. These findings are summarised below.

Land Issues

Along with virtually every study pertaining to Toledo, the PPAs cited land issues as one of the most contentious issues. In an agrarian economy land is needed above all for cultivation, the main means of subsistence; it is also needed for housing new families resulting from the rapid population growth. A common concern was the inadequate distribution of land. Villagers felt that their plots were being encroached by a combination of rising immigration, returnee families and natural demographic growth.

Central to the debate is how the traditional Mayan system of communal and custodian ownership is now in apparent conflict with an emerging ‘modernist’ trend for private individual land ownership which can be more easily used to raise finance and provide income security. The situation is further complicated by the fact that a considerable amount of occupied (and cultivated land) is outside the reservations granted to the Mayans and is thus technically squatted. While this situation has persisted for many years, the current trend towards formalising private ownership does little for the security of those currently occupying this land.

There is a school of thought advocated by a local NGO called Mayan Alliance, who consider all land in Toledo should be transferred from custodian ownership to private ownership and put into the hands of the Mayans – who deem themselves the original settlers of Belize and therefore the natural inheritors of land. This group is now locked in a legal challenge with GOB in the High Court over the issue which if successful could have very wide-ranging repercussions not least for non-Mayan rural residents. While land issues have been discussed in previous reports, what does not seem to have been appreciated is the contradiction of what the Mayans are proposing – private land ownership in a cultural belief system which abides by communal ownership and is governed by the *alcalde* system – the only non Anglo-Saxon system used in Belize. This view is not by any means shared by all Mayan communities or NGOs. The land issue thus provides another example of the heterogeneity of Mayan society.

What is however certain is that firstly there is no obvious solution to land issues in Toledo and secondly, until the situation is resolved, private investment will continue to be discouraged. As the Toledo report concludes:

“The inability to find amicable solutions to land tenure issues between GoB, the Maya and other stakeholders will, for the foreseeable future, retard economic and social advancement.”

The Institutional Framework and Project Design

Statements relating to the level of political interference in projects were prominent in PPAs across the country and Toledo is no exception. A point frequently made was the lack of political support, either from the area representative, or from the Village Council, to advocate and assist in mobilising projects. Moreover, the change in political leadership at the national level was seen to impede progress by certain villages whose area representative came from an opposing political party. Therefore, although village councils were considered to be effective in allocating land, the process was often stymied by political deadlock. Other communities perceived themselves as being ignored, due to their multi-ethnic nature, implying that project donors or sponsors found it difficult to implement projects if the social and ethnic parameters of the village were ambiguous.

Human and financial resources are in short supply for many organizations. This is most apparent with organizations that are trying to engage with civil society - a crucial issue for projects targeted at women in a still male dominated society; the PPAs recorded women’s involvement in many projects, as minimal. Nevertheless, the PPAs considered that the level of participation in projects was considered to have been enhanced, but from what basis is unclear. Yet, previous evaluations of programmes such as the Belize SIF¹⁸⁹ questioned the effectiveness of their participatory approach in mobilizing communities to take

¹⁸⁹ Halcrow for GOB/BSIF, 2008, Evaluation for the Belize Social Investment Fund 1996-2006.

ownership of their projects, a conclusion at least partly borne out in the afore-mentioned Dolores project. In critiquing the level of participation in projects Harrison et al, state “*rhetoric and reality have been divergent*”, often as a result of a failure to grasp the complexity of the prevailing social context. As an example, a review of a sanitation project revealed that new latrines were being used for grain storage and drying, implying both that the original project was ill-conceived and that the need for grain storage facilities had been overlooked.

Project Design and Maintenance

One of the most common complaints voiced was from the PPAs came from key informants and communities stating how infrastructure projects, namely, water systems frequently broke, or were not adequately designed to cope with the dry summers when the water basin or catchment area for potable water ran dry. An example from Pueblo Viejo illustrates the problem. Access to ground water was limited to a water pump supplied and constructed by SIF. Maintenance training was provided through the Ministry of National Development and Culture to one person¹⁹⁰. However, this system failed when the pump breaks down and the trained villager jettisons his responsibility. Whilst this case study hints at design issues, it also points to the inherent lack of capacity and initiative: whilst the cost of repairing the pump was estimated at BZ\$12,000 and was thus prohibitive, the community had not considered either putting pressure on the pump technician to fix the problem or the Water Board to repair it. The maintenance issue also has ramifications to the appropriateness of training provided to a village and as to how the Water Boards are managed.

Design faults in projects have been identified in previous evaluations such as for the Belize SIF programme. Aside from maintenance issues, local villagers also considered that the catchment area of infrastructure was too small to adequately serve the entire village. While there may have been sound reasons for this, the failure to adequately explain them to the community had led to dissatisfaction.

PPA respondents also were well aware of income generation projects failing due to the limited demand for their produce – a factor that could not be overcome due to their remote geographical location and their limited knowledge of marketing issues.

Village leaders whose views were canvassed by the Village Survey considered that the most effective programmes were those related to agricultural training and support (12 mentions out of 24 surveyed) followed by education programmes (6 mentions), water supply and internet / sports facilities (3 mentions each). Interestingly, agricultural and education services were also most frequently mentioned as not being very effective (5 and 4 mentions respectively). This shows both the divergence of opinion that exists and that these two interventions were those that had achieved the greatest coverage. Whereas improved education was mentioned during the PPAs, agricultural support was generally not, perhaps because most farmers were in the fields when the PPAs were held.

¹⁹⁰ This model is replicated throughout Belize.

Priorities

The PPAs identified the following priorities:

- Increased access to land for farming facilitated by expanding village boundaries.
- Increased access to credit.
- Improved support for the vulnerable, e.g. single mothers through life skills and parenting programmes.
- Improved infrastructure in both villages and for agricultural land (to prevent soil erosion).

These priorities are little different from those emanating from other PPAs with the exception of the added complexities of the land situation. There is, however, a divergence with the views of village leaders solicited through the Village Surveys (Table 7.7) where greater emphasis is given to agricultural support, access to credit and education.

Table 7.7. Village Leader's Priorities in Toledo

Priority	No. of mentions
Support for Agriculture (training, land management, marketing)	10
Micro-credit and capacity building/ training for small business	9
Infrastructure/ utility upgrades	8
Education	7
Community facilities (centre, sports, internet)	3
Post-disaster housing assistance	3
Health	2

Nb. Respondents were allowed two responses for each question. The sample was done 24 villages.

7.3.10 Conclusions

Before summarising the results of the above analysis, it is worthwhile summarising what has occurred in the years since the DFID Toledo study was completed; this comparison is shown in Table 7.8. It should be noted that the recommendations were general rather than specific.

Overall, there have been some notable developmental successes in Toledo in the five years since the DFID study was completed. In particular, SIF has built, or extended a substantial number of schools, health facilities, water supply schemes and roads, the Tumul K'in alternative learning centre has been established, a number of micro-credit schemes operated by NGOs, mostly targeted at women, have been introduced as have small-scale income generation projects and school feeding and gardening projects. The large BRDP project is being implemented with some success adopting an approach which learns from the shortcomings of its predecessor, CARD; it is also adapting its procedures and criteria as its first projects are reviewed. Support for agriculture has continued and is perceived favourably by the majority of village leaders.

In consequence, although measurable indicators are in short supply, the likelihood is that there has been some improvement in socio-economic conditions in the district. Only a minority of villages consider that conditions have got worse in the last few years. Educational standards appear to be broadly in line with those of other rural parts of the country. Health indicators probably still lag but are improving,

especially in relation to mother and child health and malaria is no longer the scourge that it used to be; there was little mention of this topic in the PPAs. Housing conditions have improved resulting in fewer houses with thatched walls or roofs and a higher proportion have access to piped water and electricity. Women are becoming increasingly empowered and several communities considered that they had benefitted from development programmes. Other positives are the increasing number of educated and articulate Mayans willing to improve the lot of their communities and the dedication of many government and NGO staff working in Toledo.

Table 7.8. Toledo Study Recommendations and Outcomes

Theme	Recommendation	What actually happened
Land & Land Tenure	The resolution of land use and tenure issues are priorities for any strategy to sustain livelihoods and reduce poverty in Toledo.	<ul style="list-style-type: none"> - Situation has become further politicised with a Mayan legal challenge that they be granted freehold ownership of all communal land use rights in the district. This has yet to be resolved. - Village level land allocation procedures are subject to political interference (as in the rest of the country).
An Environment for Economic Growth	Promote poverty reduction by expanding the productive base of the district that retain income in the hands of farmers & artisans.	<ul style="list-style-type: none"> - Expansion of cocoa production. - BRDP and NGO's are achieving some success with income generation programmes that have been designed to avoid the pitfalls of previous programmes. Coverage is however limited. - Dispersed settlement pattern and the districts peripheral location continue to make access to markets difficult. - Conversely, increased access to education, better communications (Hummingbird highway and the internet) and increased trading with Guatemala) have contributed to a reduction in overall poverty.
Policy and Institutional Framework	(i) A revitalisation of public services in Toledo that take account of their ability to deliver public services. (ii) Review TDCs role to facilitate activities rather than implementing projects.	<ul style="list-style-type: none"> - The TDC is largely moribund due to the absence of a formal mandate and the previous misuse of funds. There is therefore no effective co-ordinating agency for the district. It is however understood that a new co-ordinating agency is being established. - A substantial number of new local infrastructure projects have been implemented.
Participation	(i) Entities such as TDC and organisations representing economic, social and cultural constituencies should be mobilised to activate consultation on poverty; (ii) so the poor be partners in poverty reduction programmes	<ul style="list-style-type: none"> - Numerous consultations have been undertaken in Toledo. "Consultation fatigue" has set in: key stakeholders already know the issues, as do the poor. - Little direct buy-in by communities for infrastructure projects. - Many communities are sceptical and distrustful of projects due to frequent failures and political interference (also apparent throughout the country).
Gender and Empowerment	Poverty strategies should incorporate gender equity and the empowerment of women	<ul style="list-style-type: none"> - Women are slowly becoming involved in village projects. However, significant technical training is needed and projects have limited coverage. - Female labour force participation has changed little since 2000 although around 50% more women are now working due to population increase. - Female secondary school enrolment is increasing although it remains slightly below the national average.

Source: Recommendations taken from Toledo study with assessment by Study Team

Incomes also continue to be supplemented by temporary off farm work and more permanent urban migration. Many also initiate small independent household-based businesses which generate wealth and security sufficient to avoid severe poverty; this provides a clear indication that micro-enterprises can be successful in Toledo. Illegal trading with Guatemala continues as it has done for years; other illegal activities used as coping strategies are hunting of protected species, logging in forest reserves and grazing livestock on private or reserved lands.

All the above are confirmed by the decrease in the level of poverty that has occurred in Toledo since 2002 and, on the other hand, by the fact that it remains the poorest district in the country with by far the highest level of indigence with housing conditions substantially worse than the country as a whole.

Nevertheless, these improvements, with the exception of infrastructure, can best be described as 'significant' rather than 'substantial'. Most are small scale with little potential to lead to a major short-term increase in incomes. Several programmes have struggled due to the complexities of the Mayan social context while others were probably misconceived in the first place while others have been subject to political interference, under-resourcing and institutional weaknesses. Most village leaders remain dissatisfied with current conditions and women are still less emancipated than in other rural parts of the country.

Reasons for the continuing failure to achieve a greater reduction in poverty in Toledo are both generic in that they apply to programmes throughout the country, and specific to the district. The most important generic obstacles to development are:

- The absence of obvious economic growth sectors.
- Political interference in the selection of beneficiary communities and, in some cases, households.
- The dependence on foreign donors for most development projects whether executed by government or NGOs. This can mean that projects reflect their agendas rather than the priority needs of the population and have unrealistic time programmes.
- The small coverage of income generating and micro-credit/-finance projects (to date, BRDP has yet to attain 1,000 beneficiaries) limits the cumulative impact even successful projects can have.
- Absence of maintenance leading to inoperability of machinery (e.g. water pumps), and buildings falling into disrepair, and inadequate operational budgets.
- Limited credit mechanisms, which also may not respond to the agricultural cycle.
- Low level of teacher training and lack of management support for teachers and nurses working in remote areas away from their home communities.

Toledo-specific constraints can be categorised into those that relate to the specific conditions of the region (most of which were identified in the earlier study) and those that relate to the design and implementation of projects (which received less attention):

Constraints relating to the geographical and socio-economic context:

- The peripheral location of the district and its dispersed population which makes it difficult to identify and access markets for increased agricultural produce or other products resulting from income generation projects.

- The complexity and heterogeneity of Mayan society allied to low education levels and female emancipation, and lack of experience with the cash economy, i.e. a low absorptive capacity.
- The uncertain and controversial land tenure situation which currently discourages private ownership and the willingness to invest for the longer term allied to political interference in land allocation decisions.

Constraints relating to the design and implementation of projects:

- Lack of co-ordination between project implementers leading to duplication and the absence of pooled experience.
- The small-scale nature of many projects and dispersal across many villages which restricts their potential impact.
- Time-bound funding which means that many projects cannot be developed over the time period necessary to make them sustainable.
- A failure to build on traditional Mayan cultivation systems and small trading.
- The emphasis on micro-credit which, while it provides an introduction to the cash economy, restricts beneficiaries' ability to escape from poverty.

In combination, the above constraints make it exceedingly difficult for projects in Toledo to succeed, despite a much greater understanding of the barriers to successful implementation and the complexities of Mayan culture as well as an increasing aptitude to learn from previous mistakes. Project failures, for whatever reason, entrain an increasing disillusionment with government and NGOs as well as a reduced willingness to participate in projects. These issues exist with projects throughout the country, albeit in less extreme form.

7.3.11 The Way Forward

The construction of the road to the Guatemalan border and continuing road upgrading will reduce, but by no means eliminate, the geographic isolation of the region while better designed and maintained local physical and social infrastructure projects will improve living conditions. However, none of these will directly reduce income poverty – although they can improve living conditions: improved health will reduce the likelihood of future poverty arising as result of ill health; improved education will only have a direct poverty impact when students enter the job market (i.e. a 15 year or so time lag); improved water supply can reduce time spent collecting water, which is unlikely to be directly translated into increased incomes; road access and power are necessary but not sufficient conditions for increasing economic activity. Indeed the reverse can sometimes be true as the need to pay utility bills increases pressure on already stretched household budgets (see previous section on Belize Southside). This is perhaps why many consultation exercises fail to bring out GoB's achievements in improving infrastructure.

In short the priority has to be programmes that increase income generation, agricultural productivity and job creation. This means more and better agricultural support, greater availability of credit, identifying and developing markets, more emphasis on linking relevant skills training to market opportunities. But how can this be achieved? The following principles are considered to provide a way forward. They neither deny the validity of current activities nor are, in the short term, likely to require a major increase in funding:

- Increase co-ordination between programme implementers to avoid duplication and, above all, identify successful programmes which can be replicated in whole or part.
- Concentrate activities in key locations to avoid diluting their impact. In the short term this will inevitably result in some villages being left to their own devices but the over-riding need is to create a critical mass that can both improve services and increase incomes.
- Recognise that design and initial implementation for projects cannot be rushed and will require significant technical and personnel resources over a longer time period than is generally allowed for at present.
- Select beneficiaries (communities and households) based on their demonstrated willingness and enthusiasm to participate, i.e. ensure buy-in.
- Reduce the emphasis on micro-credit and instead target existing businesses and successful farmers who are most likely to be able to increase production, purchases of local materials and create employment. – in short, look for winners.
- Ensure that income generation projects are closely linked to viable marketing and supply chains.

This leaves the vexed question of land. To date, no solutions have emerged that resolve the contradiction between the need for some increase in private ownership and the existing communal land holding systems while the current legal attempt to provide Mayan jurisdiction of most of Toledo further complicates matters. Four things are however certain: (i) land tenure issues are restricting development and causing discontent in Toledo; (ii) local communities, as elsewhere in the country, should have a major say in how land is used and developed; (iii) land requirements for non-Mayan groups (Garifuna, Mestizo and East Indian) must be respected (iv) land is a national resource so its usage needs to reflect national policies, particularly in terms of limiting deforestation and environmental sustainability as a whole, as well as local wishes.

8 The Millennium Development Goals and Poverty

8.1 The Current Status of the MDGs

The achievement of the Millennium Development Goals (MDGs) is one of GoB's most important development objectives. Several, but not all, the MDGs are closely linked to poverty reduction. Accordingly, this Chapter assesses the current status of the MDGs in relation to the research undertaken for this study. In this respect, the CPA has been fortunate in that a recent study of the current situation regarding the MDGs has recently been completed by UNDP/ GoB¹⁹¹.

The objective of the MDG Report was to assess progress against each of the 8 MDG's and their constituent targets and indicators. The summary findings are presented in Table 8.1. Amendments/additions to this Table based on information contained in this (the CPA) report and which were not available to the MDG Team, have been highlighted.

Table 8.1. Belize MDG Scorecard, 2009

Goals, Targets and Indicators	Baseline	2009		Target 2015	Comment
		Target	Achievement		
GOAL 1: Eradicate Extreme Poverty/ Hunger					
Target 1: Halve Proportion with Income < \$1/day					
Population below Poverty Line (%)	33.5 (2002)	30.5	41	16.8	Not on track; substantial increase in poverty and severe poverty since 2002 due primarily to poor economic performance (see section 2.5 and Chap. 3 of the CPA report).
Target 2: Halve proportion population suffers hunger					
Extreme poverty -population consuming less than minimum dietary needs (%)	10.8 (2002)	10.1	16	6.7	
GOAL 2: Achieve universal primary education					
Target 3: Ensure complete Primary School					
Net enrolment rate in Primary Education	90.3 (1992)	92	83.7	100	Not on track as primary school indicators static or in decline and only 60% of class 6 achieved PSE scores >50%. BUT the great majority of 5-12 year olds attend primary school as do several older children so few miss out altogether.
Proportion of pupils entering Grade 1 G1, reach 8	87.2 (2000)	93.6	91.9	100	
Literacy rate of 15-24 year-olds	70.3 (1992)	90.6	94.7 (2006)	100	Well on track; surpassed target for 2009.
GOAL 3: Promote gender equality and women employment.					
Target 4: Eliminate Gender Disparity					
Girls per 100 boys in Primary	95.9 (2002)	96.6	101	100	Gender parity achieved in primary schools but new challenge is to ensure parity for boys, especially at tertiary level. LSMS indicates gender ratio at tertiary level of 115 and 105 at secondary but 138 at high
Girls per 100 boys in Secondary	105.2 (2002)	107.1	113	100	
Girls per 100 boys in Tertiary	149 (2002)	148.8	173	100	

¹⁹¹ Belize National MDG Team, 2010, *Belize MDG Scorecard and Outlook Report 2010*, Belmopan.

Goals, Targets and Indicators	Baseline	2009		Target 2015	Comment
		Target	Achievement		
					school. Non enrolment at secondary (28% of 13-16 year olds) is arguably the greatest problem.
Share of Women in wage employment in non-agricultural sector (%)	38.7 (1995)		43.8 (2009)	50	Not on track but progress is being made.
Seats held by women National Parliament (%)	3.4 (1993)		0%		Currently NO female representation in Parliament.
GOAL 4: Reduce Child Mortality					
Target 5: Reduce by 2/3 <5 yr. mortality rate					
Under 5 mortality rate	23.7 (1990)	8	22.5 (2009)	8	Slow progress Not on track (but rates fluctuate dramatically)
Infant mortality rate	17.6 (1990)	13.9	12	5.9	
Children Immunized against measles	69 (1992)	96.6	96.6	100	On track
GOAL 5: Improve Maternal Health					
Target 6: Reduce maternal mortality					
Maternal mortality rate	41.7 (1990)		53.9 (2009)	10.4	Not on track (but rates fluctuate)
Births attended (%)	79 (1995)	97.5	96.6 (2009)	100	On track
GOAL 6: Combat HIV/AIDS, Malaria and Other					
Target 7: Have halted by 2015 and begun to reverse HIV prevalence					
HIV prevalence population 15-24 (%)	-		0.77 (20??)	-	Slow progress
Target 8: By 2015, halt tuberculosis and Malaria					
Incidence of malaria (cases per 1000 population)	49.3 (1994)		1.7 (2008)	-	On track (dramatic reduction)
Infection rate associated with tuberculosis (per 100,000)	46.1 (1997)		24.7 (2009)	-	On track
Prevalence rate of tuberculosis (per 100,000)	78 (1990)		26.7 (2009)	-	On track; high degree of vigilance needed
GOAL 7: Ensure Environmental Sustainability					
Target 9: Integrate the principles of sustainability					
Land area covered by forest (%)	-	-	58% (2009)		Not on track (deforestation occurring) but still Ranked 11 th out 195 countries #
Land area protected to maintain environment (% area protected)	Land: 31.7 (1995) Marine: 1.6		Land: 35 (2008) Marine: 10.6		Progress made, especially in protecting marine environment. Ranked 67 th out 135 countries
Carbon dioxide (CO2) emissions #	4-fold increase, 1994 - 2000		Ranked 73 rd out of 176 countries for emissions per capita; and 56 th out of 170 for emissions per unit GDP		Emissions well below Belize's awarded ceiling but increase is virtually inevitable given increasing economic activity and oil exploitation.
Target 10: Halve population without access to water					
Population with access to improved water source (%)	43.6 (1995)	80.8	90+	100	On track/ Good progress; very few people use an unimproved source
Target 11: By 2020, to have achieved livelihood improvement					
Population with proper sanitation facilities (%)	41 (1995)	94.6	87	100	Progress for all 3 indicators, especially for water based sanitation; few people rely on non-ventilated latrines.
Proportion of people with access to secure tenure (%)	94.1	95.2	97.3	100	
Population with WC linked to sewage/septic tank (%)	35 (1991)		67 (2009)	-	
GOAL 8: Develop a Global Partnership					
Target 15: Deal with debt problem in sustainable manner					

Goals, Targets and Indicators	Baseline	2009		Target 2015	Comment
		Target	Achievement		
Debt service as % of exports	13.1	11	9.5	8.5	Slow progress. Debt situation made more manageable in 2007 but payments will increase in short and medium terms (see 2.6.4)
Target 16: Implement strategies productive youth work					
Unemployment of young people 15-24 years old (no.)	21.8	18	15	12	Unemployment rate lower than in 2000 but major issues related to crime and other forms of 'risky' behaviour.
Target 17: Provide access to essential drugs					
% of population with access to essential drugs			-	100	CPA data suggests that many people have to pay for necessary drugs and this can represent a burden on low income households.
Target 18: In cooperation with private sector make available benefits of new information and communications technologies					
Telephones (fixed and mobile lines) per 100 inhabitants	16.7		Land lines: 29 Cell phones: 74@		Substantial increases in all fields especially mobile phones; over a quarter of households have personal computers and just under a fifth has home internet access.
Personal computers density 100 inhabitants	16.7	33.3	27@		
Internet connections (all types) per 100 inhabitants			18@		

NB. Entries in **YELLOW** have been amended / supplemented by CPA team based primarily on LSMS data. .

<http://www.nationmaster.com/red/country/bh-belize/env-environment&all=1>

@ Rates per 100 households from LSMS.

Source: adapted from *Belize MDG Scorecard and Outlook Report 2010*.

The key conclusions of the MDG report are summarised in Table 8.2 along with the study team's comments. Overall, there is a high degree of consistency between these comments and the conclusions of the MDG Report with the most crucial being that the achievement of MDG1 relating to poverty is well off track and, conversely that the health related MDGs (4, 5 and 6) all appear to be achievable.

The MDG report summarises the failure to make more progress on the MDGs as follows¹⁹²:

“The available evidence indicates that, overall, the main reason is pursuit of an unrealistic and vulnerable debt-led, consumption-promoting and import-intensive growth strategy. This has also discouraged domestic savings and resulted in underinvestment in the core ingredient of development – the type of domestic capacity-building and ownership required to achieve the MDGS and thus improve the capacity of the national stakeholders to compete for entrepreneurial opportunity, income and consumption opportunity in an increasingly open global trade and financial system”.

And:

“The immediate macroeconomic cause of the increase in poverty is the failure of the national program of investment for growth and development. Real investment has been falling since 2000”.

¹⁹² As previously mentioned, these conclusions come from the pre-final version of this report and thus are subject to revision.

Table 8.2. Achieving the MDGs – Conclusions

MDG	Goal	MDG Report	CPA Team Comments
1	Eradicate poverty and hunger	Not on track	Agreed see Chapters 3 and 4
2	Achieve universal primary education	Not on track	Primary school enrolment is still high but enrolment rates appear to be decreasing (see section 6.3). Arguably the major problem is at secondary level.
3	Promote gender equality and empower women	Not on track	Gender parity achieved at primary level but boys are being 'left behind' at secondary and tertiary levels. Also enrolment at secondary school is only around 50% (section 6.3). Female participation in non-agricultural employment appears to be increasing BUT a target of 50% appears difficult as it presupposes either male child minding or universal child care arrangements.
4	Reduce child mortality	Not on track (apart from immunisation)	Agreed although trends are hard to ascertain due to Belize's small population (especially true for maternal mortality)
5	Improve maternal health	Mixed progress	
6	Combat HIV/AIDS, malaria and other diseases	On track	Agreed see section 6.2
7	Ensure environmental sustainability	Environmental goals not on track	Targets are difficult to set for environmental goals. Belize fares well in terms of protected areas and forest cover; emphasis needs to be on protecting these environments as, apart from biodiversity issues, they are the basis for the tourism economy. Carbon emissions have increased but Belize remains low in international terms; further increases are almost inevitable if the country's economy is to expand significantly. Coverage of household water and sanitation has increased consistently so near-achievement of target is achievable.
8	Develop a global partnership for development	Debt management goal not on track	Debt management issues were temporarily resolved in 2007 but debt payments will increase in the future. Unemployment rates amongst youth are very high and are an important cause of social problems. Household access to telephones, computers and internet access has increased substantially.

Source: MDG Report, CPA Study Team.

In this context, the MDG report defines *'domestic capacity building'* to include both capital formation (investment), which has declined since 2000, and government capital expenditure. The MDG report also points to the *'crowding out'* of domestic investment by foreign debt and a decreasing savings rate, both of which reduce domestic investment. Based on this assessment, the MDG report sees the reversal of these trends and particularly an increase in domestic investment and government capital expenditure as being key to achieving future progress the 2015 targets for most of the MDGs.

Using the IMF projections previously referred to - which may be optimistic given the unfavourable 2009 economic indicators - the report estimates a shortfall in both capital investment and government capital spending. The conclusion is that the outlook for achieving the requisite increases in investment and government capital spending¹⁹³ *'is not very bright'* and *'represents a tough challenge'* which will necessitate the involvement of Belize's international partners. Simultaneously, Belize will need to *'put in place the transparent, accountable, participatory and responsive sector-wide programming and expenditure arrangements to facilitate budgetary support from the international partners'* while developing a consensus amongst national stakeholders.

¹⁹³ The report says little about the need for government recurrent spending which is arguably at least as crucial in relation to improving the standard of education, health and social service provision.

8.2 Study Team Comments

The generally pessimistic conclusion - that several MDGs (especially MDG1) will be hard to achieve by 2015 - is, regrettably, shared by the CPA study team. The short term economic outlook is not good and this will impact the ability of government to maintain social spending or increase social protection – which is crucial to achieve the health and education-related MDGs. Nonetheless, progress on these MDGs (2-6) should not be downplayed. For education, the great majority of children attend and complete primary school (even if belatedly) and girls are achieving gender parity; boys are however ‘losing out’ at high school and tertiary levels. For health, although trends are hard to ascertain, there have been distinct improvements in attended births, immunisation and access to services (health and improved water sources), all of which will tend to reduce mortality rates; Belizeans also express a high level of satisfaction with their personal health¹⁹⁴. Progress for MDG7 can also not be described as unsatisfactory. MDG8 contains a heterogeneous set of targets of which the debt issue is the most important and will affect government finances for years to come. Youth unemployment, which has ramifications for crime, violence and social cohesion, is also high. Conversely, Belizeans with access to telephones and the internet has increased sharply.

The emphasis in the MDG Team’s conclusions on the need for more domestic investment is entirely consistent with the view that poverty reduction is rarely achievable without economic growth and job creation; it is fully endorsed by the study team. As has been repeatedly stressed, governments everywhere have limited control over either domestic or foreign investment but they do have the capacity to create investment friendly environments through measures to reduce corruption and political interference, bureaucratic impediments to establishing businesses, modifications to fiscal policy and, in Belize’s case, a transparent and equitable land policy. Continued investment in education, health and infrastructure are also essential to provide for the future, when hopefully, the economic situation will be more favourable. Investment in social and infrastructure sector spending is also crucial to improving the overall wellbeing of the population and responds directly to people’s aspirations.

On the other hand, the emphasis on government capital expenditure is more problematic. Firstly, there is little indication of the types of projects required. Secondly, national and local infrastructure networks appear reasonably sound with a solid national road network, high levels of electrification and piped water provision and a wide distribution of schools and health facilities; few high priority major infrastructure projects therefore suggest themselves. Instead we would argue that our research has shown that the priorities lie in maintaining current infrastructure and improving the functioning of the health and education systems so that they can deliver a better quality, more efficient and more client-friendly service. This is consistent with the MDG team’s conclusion of the importance of developing more transparent and accountable procedures in order to obtain budgetary support from the international community, i.e. to increase government recurrent rather than capital spending. The thirdly reason why we consider the emphasis on government capital expenditure to be problematic is that, at present, the great majority of capital expenditure is funded externally¹⁹⁵. This situation is likely to continue, hence seeking an increase in overseas funding for capital expenditure risks aggravating the already parlous debt situation.

¹⁹⁴ IADB, op. cit.

¹⁹⁵ Even the reconstruction of an important structure as the Kendal bridge (destroyed in the 1998 floods) cannot be financed locally.

These caveats are however just that and should not detract from the high degree of consistency between the CPA and MDG teams' analysis and conclusions.

There is one final point that needs to be made concerning the MDGs. They should not be seen as the over-arching objective of development policy. Firstly, they do not capture all the poverty related issues which have been identified in this report (and other CPAs). Examples are the pernicious effects of political malfeasance and corruption, educational quality and relevance, secondary school enrolment (a much greater problem than primary school enrolment), the need for care and support for the older population, and social issues such as crime, drug use, and family breakup. While these may not relate directly to income poverty, they most certainly do to non-income poverty and wellbeing. Secondly, notwithstanding the MDG report's welcome emphasis on domestic investment, the MDG framework, in our view, pays insufficient attention to the need to create a climate conducive to economic growth, investment (domestic and foreign) and job creation. The MDG's should not, therefore, be seen as providing a comprehensive framework for tackling poverty in Belize.

PART C. The Programme of Action

9 Synthesis: Key Issues and Lessons Learned

9.1 *General*

The objective of this Chapter is to bring together the research findings presented in the preceding Chapters in order to provide a robust context for preparing the CPA's recommendations – the Programme of Action.

The Chapter starts in section 9.2 by summarising the main changes in the extent and characteristics of poverty that have occurred in Belize since 2002 when the previous CPA was carried out. Section 9.3 then assesses the extent to which the NPESAP can be adjudged to have succeeded or failed; this section includes a discussion of issues relating to poverty reduction and their implications for poverty reduction strategies. Section 9.4 then examines the ways in which GoB could have improved the implementation of NPESAP. Section 9.5 summarises the key lessons learned while section 9.6 addresses certain key questions that have been raised during the course of the study.

The conclusions and implications arising from this Chapter will be used, in combination with the findings of preceding Chapters to generate the recommendations to be included in the Programme of Action which is presented in the Chapter 10.

9.2 *Changes in Poverty since 2002*

Poverty has increased substantially in Belize since the previous CPA was carried out in 2002. Household poverty has increased from 25% to 33% and individual poverty from 34% to 43%. Indigence or severe poverty has also increased from 8% to 10% (households) and 11% to 16% (population). Poverty and indigence have increased in all districts except Toledo where there has been a decrease, although it still remains the poorest district in the country with by far the highest level of indigence. The sharpest increase has been in Corozal which now has the second highest level of poverty after Toledo. Poverty is now more evenly distributed geographically than it was in 2002. Nevertheless, the majority of the population and two thirds of households are not poor; housing conditions and ownership of durable groups have improved for the poor and not poor alike and there is little evidence that more than a small minority of the population is going hungry.

Poverty has increased amongst all sub-groups be they young or old, employed or unemployed, female or male headed households, or living in rural or urban areas. Groups which have a greater disposition to poverty are much the same as before: larger households, rural households, those headed by persons with lower educational attainment, as well as children, the unemployed and the low skilled. The relationship between poverty and household size merits highlighting: 60% of large (6+ person) households are poor and just under 47% of poor households are large. The indigence rate of these households is 26% (2.5 times the national average) and they account for almost 80% of the indigent population¹⁹⁶.

¹⁹⁶ By and large the patterns of poverty summarized here are much the same as those identified in other CPAs undertaken in the Caribbean and elsewhere.

Groups showing lower than average levels of poverty include the elderly (especially those living as couples or on their own) and female headed households – as was also the case in 2002 – while family structure has relatively little influence on poverty that cannot be related back to household size. Indeed, female headed households with no other adults were even less likely to be poor. Working women are more likely to reside in not poor households indicating that the employment rate of poor women is closely linked to poverty, allied to their child care duties. In these, and other instances, there can be an imperfect correlation between income poverty and well-being.

Reasons why poverty has increased are largely related to the economic situation which was stagnating, even before the recession hit. Employment decreased between 2007 and 2009 while unemployment jumped to 14%. Previous mainstays in the economy, bananas and sugar cane (which has particularly impacted Corozal and Orange Walk), have experienced set backs, while activity in the Corozal Free zone also decreased in 2009. Furthermore, growth areas during this period such as San Pedro, Placencia and the oil sector, have not generated significant multiplier (or trickle down) effects across the wider economy. Finally, several areas of the country, notably Corozal, Orange Walk and Cayo were badly hit by severe flooding in 2007 and 2008.

Local perceptions of poverty and its causes have also remained essentially the same: “*high unemployment levels and limited job opportunities, inadequate land policies and the absence of good markets for agricultural products, political patronage and corruption, inadequate educational systems, and socio-economic inequalities*”. This quote is instructive as it comes from the 2002 CPA and the reference is to the earlier 1996 Poverty Assessment. If anything has changed, it is that dissatisfaction with the political process has increased and with it, a heightened perception that poverty results, to a large measure, from a failure of governance. The main message, however, is that being poor continues to be seen primarily in terms of income poverty from which other threats to wellbeing such as loss of social and personal security, the inability to receive adequate education, and poor housing conditions, often ensue.

This report has also identified a cycle of destructive social factors. Poverty increases stress on families and their children which can lead to child neglect, abuse of partners and children, family breakdown and school non-attendance which in turn lead to risky and anti-social behaviour, such as drug abuse, alcoholism, unplanned pregnancies, and crime thereby creating a cycle of inter-generational poverty from which can be very difficult to escape – only around 63% of children live with both their parents. Poverty should not be seen as the only cause of such behaviour: peer pressure, cultural and gender attitudes, unprotected sex, lack of understanding of the implications of supporting and nurturing children, all play their part. Although these factors received little mention in the 2002 Report, they received considerable attention in the 2005 NPESAP consultations and there is thus little evidence to suggest that they represent a new phenomenon.

In summary, the major change that has occurred since 2002 is that poverty has increased and, simultaneously, become more evenly distributed across the country. Patterns of poverty in terms of groups more or less likely to be affected have changed little. The causes also remain much the same: a difficult macro-economic situation caused by the recession, and natural disasters, along with social factors related to family and household relationships which are both destructive in themselves and can create a cycle of inter-generational poverty. There is, however, a much greater concern, expressed at virtually every meeting and discussion held during the course of the study, about the negative influence of politics on the development process.

9.3 Government Performance and the NPESAP – Has there been a Failure?

9.3.1 Summary of NPESAP 2007-2011

The NPESAP 2007-2011¹⁹⁷ is GoB's primary policy document on national development. It was prepared following the completion of the 2002 CPA and an extensive series of public consultations. It was designed to overcome the perceived shortcomings of its predecessor, NPESAP 1998-2003 which included: inadequate resource allocations, lack of connection to GoB's macro-economic and medium-term policy frameworks, inadequate targets, indicators and implementation mechanisms for fostering coordination among public, private and civic sector institutions, and fragmented procedures for empowering the poor and enabled their access to policy making¹⁹⁸. Produced during another period of "severe economic and social constraints", the NPESAP is a comprehensive document that includes strategies, activities and initiatives. One can also say that it covers virtually every one of the problems identified in this report including the need to increase private sector involvement in the economy, improved governance, poverty related social issues, enhanced human resource development, more emphasis on the needs of key vulnerable groups, e.g. children, one parent families, the elderly, the chronically ill and the disabled.

Since NPESAP's inception, a number of new initiatives to reduce poverty have been introduced while other pre-existing programmes have been continued. Programmes which have continued are essentially those related to the expansion of local infrastructure, health (including the NHI) and education services. Major new interventions include the Southside Poverty Alleviation Project in Belize Southside, BRDP, the provision of free text books to schools, the introduction of the Non-Contributory Pension, various administrative and financial reform projects, and a concerted comprehensive HIV/AIDS reduction strategy. These major programmes have been accompanied by a wide variety of smaller, often innovative, government and NGO programmes covering micro-credit, income generation, community and women's empowerment, life skills and parenting, youth employment and rehabilitation, assistance to vulnerable groups and basic social services, and increased police involvement in community policing and social issues. These programmes have frequently been designed to overcome shortcomings of previous initiatives and with much enhanced consultation mechanisms. In general, they are considered favourably by recipients.

NPESAP's underlying objectives and resultant interventions are both consistent with the four major generic objectives of any Poverty Reduction Strategy whose goal is to reduce income poverty and improve wellbeing (Table 9.1).

¹⁹⁷ See Chapter 5 for a more detailed description. A new NPESAP, 2009-2013 has just been prepared but shows few changes from the current version.

¹⁹⁸ Paraphrased from NPEAP, 2007-2011.

Table 9.1: Generic Objectives of Poverty Reduction Strategies

Objective	Rationale
The promotion of economic growth and job creation	Essential both to provide employment opportunities for all (especially school leavers) able-bodied persons, and to generate government revenues that can be used to target residual poverty and identified social problems. Given the limited ability of governments to create jobs, this implies supporting the private sector wherever possible.
The provision of the basic needs necessary for current and future households to achieve and maintain a sustainable and fulfilling life.	Universal access to basic health and education services as well as utilities (e.g. shelter, water, electricity, road access) are essential to sustainable poverty reduction as well as to achieve economic and social development objectives
Improving the conditions of those currently in poverty.	There will always be some households and individuals (e.g. the elderly, the disabled, some one parent families) who will be unable to support themselves and will need direct income and other support.
The elimination or reduction of potential causes of future impoverishment	Social problems which, even if they are not major causes of poverty at the moment, could lead to impoverishment and loss of wellbeing in the future if they are not addressed.

Source: Derived from Government of Dominica, 2006, Medium-Term Growth and Social Protection Strategy, Roseau.

9.3.2 *So has NPESAP Failed, and if so, was this Avoidable?*

In the sense that poverty has increased since 2002, NPESAP 2007-2011 (and its predecessor) has failed. Yet was this avoidable? The answer here is a categorical ‘no’.

NPESAP’s strategy was essentially based on high social spending within a stable macro-economic framework allied to improved governance. It is important to understand the limitations on poverty reduction arising from infrastructure and social spending. Infrastructure is a necessary condition for economic growth but it is not a sufficient one. New roads and telecommunications can encourage economic growth but if there are neither the productive resources nor the markets that can be immediately exploited, their short term impact will be limited, as evidenced by the limited impact of the Hummingbird Highway on Toledo’s development. Education spending cannot by definition have an impact until children enter the job market and then only if job opportunities are available while health spending is likely only to have a marginal direct impact by reducing individual’s susceptibility to disease and income loss arising from serious illness or injuries. The same goes for spending on social services.

This is not to say that spending on infrastructure and social sectors is valueless. Quite the reverse; this spending directly addresses the non-income aspects of poverty by catering to basic needs, reducing the insecurity resulting from fear of ill health and answering directly to parent’s aspirations for their children to be educated. Expenditure on social services, community development, empowerment, and public awareness programmes also increases the likelihood of families and individuals avoiding the types of unsustainable and anti-social behaviour which can lead to the destructive cycle of inter-generational poverty described in this report. Furthermore, and just as importantly, the creation of an educated and healthy workforce is essential to encourage investment in the medium- and longer-terms, and enable new labour market entrants to access the jobs that do become available. Social spending is thus crucial to reducing the likelihood of poverty occurring in the future.

Yet the primary causes of poverty in Belize, as in many countries, are related to economic issues, i.e. the absence of the necessary investment or resources to provide jobs with adequate wages for the active population. Virtually all the evidence, historical and more recently, is that: (i) it is the private sector and not governments who create jobs; (ii) in an unfavourable economic situation, as Belize was experiencing even before the recession, governments have a limited ability to bring about significant reductions in poverty through direct job creation; and (iii) poverty reduction is very difficult to achieve in periods of low economic growth or in the absence of major economic drivers¹⁹⁹. There is also, regrettably, little evidence that measures to directly target the poor such as micro-credit significantly reduce poverty (although they may well have other benefits more akin to social protection). As the 2002 CPA notes:

“Lessons need to be drawn from the evidence emerging from several countries that in reality, the impact of micro-credit on poverty has been overestimated. Even where loans may have been widely disbursed and repaid in a timely manner, the changes in the lives – and therefore the poverty status - of the borrowers have, more often than not, been meagre”.

Yet government’s can exert some influence on local and foreign investment by providing incentives and a conducive business environment (e.g. a stable macro-economy, adequate infrastructure, a good security situation, a skilled workforce, improved transparency and reduced corruption). Several of NPESAP’s policies were targeted at these factors.

There are alternative strategies to providing the stimulus needed to encourage investment, economic growth and job creation. One such strategy was the tax cutting and monetarist strategies of the 1980s and early 1990s. These were then ‘exported’ to developing countries via the IMF’s SecAL programmes. The (PRSP) approach developed in the late 1990s as a response to the ‘one-sidedness’ of the SecAL policies, resulted in increased social spending in every Latin American country²⁰⁰. As yet, the current recession has provided little appetite for a return to the earlier tax cutting approach. Quite the reverse as wherever possible countries embarked on major stimulus packages based on deficit financing. However this approach is both likely to cause problems in the future when the public sector loans have to be repaid²⁰¹ and was not available to Belize following the debt crisis of 2006/07.

Another strategy available to directly reduce poverty is to develop a comprehensive system of safety nets and direct assistance targeted at the poor, e.g. the low paid, the unemployed and those who cannot work for reasons of age, infirmity or parenthood, i.e. the welfare state. This is the approach adopted in many developed countries. It works through major transfers to the poor via strongly progressive tax systems which provide state pensions, child benefits, health care exemptions, housing benefits and direct social assistance. In the west, without these expenditures, the extent of poverty would be substantial, especially

¹⁹⁹ See for example World Bank et al., 2005, Pro-Poor Growth in the 1990s: Lessons and Insights from 14 Countries, Washington. The high reduction in poverty in China and South East Asia in the same period were also achieved through rapid economic growth and high FDI. Kanbur makes the same point (see Kanbur R., 2009, *Poverty Disconnected*, Finance and Development, December 2009); he also stresses the point that although poverty rates may have fallen, the number of people in poverty has increased in most regions.

²⁰⁰ Breceda et al., 2008.

²⁰¹ This situation is not confined to developing countries. Current reports on the British economy foresee a major long term debt burden requiring substantial cuts in government expenditure with a ‘generation of debt’ being forecast (Times of London, 11/12/2009). By 2014 the debt burden is expected to reach 77% of GDP, not much less than Belize’s ratio. In Greece it currently stands at 120% while Spain’s public debt is expected to hit 67% next year.

as there is little in the way of safety nets provided by extended family networks and rural land ownership. Yet the cost is considerable - social protection benefits account for over 30% of current UK government expenditure. There is also the danger that this creates a welfarist culture which can be transmitted from generation to generation as children brought up in households where neither parent is working, are unequipped for taking up available employment opportunities. Many developing countries are increasingly implementing social protection measures (e.g. provision of subsidised basic foodstuffs to the poor²⁰², cash/ food for work programmes, fee exemptions for health and education, social pensions). A review by UNDP estimated that social protection measures accounted for around 25% of fiscal stimuli packages in 35 countries²⁰³. The problem with this strategy is that it requires substantial government funding which makes them less viable for countries, such as Belize where public finances are constrained.

More recently to counteract the inefficiencies of such programmes and to counter the risk of dependency, there has been a surge, supported by donors, in targeted direct assistance programmes that include a conditional element, e.g. school attendance, regular checkups at post-natal / nutrition clinics²⁰⁴, work on infrastructure projects. These programmes barely existed when NPESAP 2007-2011 was prepared but they are referred to, in the context of education, in the NPESAP 2009-2013, albeit with a strong caveat to guard against inculcating a dependency syndrome. Evidence is however emerging that the imposition of conditions, which significantly increases costs, may not significantly improve project outcomes compared to operating the same programme without conditions²⁰⁵.

Whilst one could argue that the NPESAP paid insufficient attention to measures to boost the economy in general and the private sector in particular, and over-estimated the short-term poverty reduction impact of social spending²⁰⁶, there appears to be a limited amount that GoB could have done to substantially reduce the negative impacts of adverse economic conditions and natural disasters that have impacted Belize in the last few years. Governments, with or without adopted NPESAP or PRSP's, cannot be expected to reduce poverty significantly in the face of contrary economic forces – otherwise why would unemployment be so high in many developed countries?²⁰⁷

Thus the reason that poverty has risen in Belize since 2002 is not that NPESAP failed but that, given the prevailing economic situation, it could not have succeeded. GoB has to get this message across to the population if expectations are not to be unrealistically raised.

²⁰² E.g. Indonesia, India, Sri Lanka although targeting, management and corruption issues often substantially reduce their effectiveness (see Halcrow for ADB, 2007, *Scaling Up of the Social Protection Index*, op. cit for an inventory of these programmes).

²⁰³ Zhang Y., Thelen N. and Rao A. (for UNDP), 2010, *Social Protection in Fiscal Stimulus Packages: Some Evidence*, UNDP, New York.

²⁰⁴ One of the original examples is Mexico's Oportunidades programme which started in 2002; the current annual cost is around 1.5% of government expenditure (US\$3.8 billion). (*International Herald Tribune*, 20-12-2008).

²⁰⁵ There is also evidence that imposing conditionalities may provide few benefits while increasing administration costs. See Baird S., et al., McIntosh C., and Ozler B., 2010, *Cash Or Condition? Evidence From A Randomized Cash Transfer Program*, World Bank Policy Research Paper, 5259.

²⁰⁶ The government's action in debt rescheduling did enable it to maintain social expenditures.

²⁰⁷ Nor is China immune - over 10,000 factories are reputed to have closed in South China at the end of 2007.

9.4 *But Could the Government have done Better?*

Here the answer is a categorical 'yes'. This report has identified a number of areas, most of which were identified in the NPESAP and the background documents leading to its preparation, where government (politicians and public servants) could have taken actions to improve the effectiveness of well-designed programmes. The most important of these are considered to be:

- Reduced political interference in the implementation of development programmes, and land allocations in particular; made stronger efforts to curtail corruption (which would have increased funds available for projects and programmes); and been more realistic on the limits of its ability to reduce poverty.
- Made greater attempts to work with the private sector in order to boost the economy.
- Insisted on improving inter-departmental co-ordination and established mechanisms to promote discussions of the success and weaknesses of ongoing programmes; established transparent targeting criteria for relevant programmes, promoted feedback from service delivery personnel in the field, and improved the monitoring and evaluation of major programmes.
- Given increased importance to infrastructure maintenance issues and provided adequate budgets for operations and administration - *“the maintenance and sustainability of the infrastructure, and therefore of the longer term benefits continue to be a major challenge”* (CPA 2002).
- Established human resource management processes to address staff concerns and improve standards of service delivery.
- Above all, it could perhaps have heeded the advice of the previous CPA:

“In light of the magnitude and complexities of the problems to be tackled, it is difficult to avoid being drawn into the development of grand designs. However, there is unlikely to be the quantum and range of financial and human resources available for satisfactorily addressing all the problems identified, and since planners and implementers can be therefore quickly immobilised by the problem of “overreach”, the avoidance of a long compendium of wishes, and the setting of priorities becomes mandatory. In this respect, the careful sequencing of the proposed activities is equally critical. Experiences in other countries have highlighted the need to focus on a limited set of achievable versus a broad array of measures - as was the case in the Belize poverty reduction strategic plan - that are neither prioritised nor ranked. Experiences in Belize have also shown how important it is to avoid the problem of “disconnection” between macroeconomic policy and policies for poverty reduction”.

It is not suggested that taking action on these issues would have reversed the increase in poverty but it could well have reduced the extent of the increase. These actions would also have improved the effectiveness of current programmes (whether targeted at the poor or not), provided encouragement and assistance to the private sector, achieved a reduction in the antipathy currently felt by much of the population against politicians, increased the availability of funds available, and enhanced the quality of programmes. It is also not suggested that a major change in the content of the NPESAP or the mix of interventions undertaken would have led to a very different outcome.

9.5 *Lessons Learned*

Arising from the above the key lessons learnt are:

- The existence of a comprehensive poverty reduction strategy, whatever its content, is no guarantee that poverty can, or will be, reduced.
- Poverty reduction is primarily dependent on the performance of the economy, which is largely outside the control of the government. Every effort should therefore be made to encourage the private sector.
- There are limits to what can be achieved in reducing poverty by targeting programmes directly at the poor. Improvements in terms of improved living conditions and well-being are much easier to achieve through government (or NGO) programmes; these also reduce the potential for poverty to occur in the future.
- Social spending will reduce non-income poverty and the likelihood of poverty arising in the future but it can only have a very limited impact on reducing poverty in the short term.
- Poverty reduction results from successful implementation of programmes and projects not strategies or action plans. The effectiveness of the NPESAP can therefore be improved by addressing implementation issues
- Poor transparency, political interference, corruption, low staff morale, inadequate maintenance, sub-optimal implementation, and raised expectations all have a negative impact on citizen's perception of government leading to increased apathy and distrust. Years of raised expectations followed by failed, curtailed or non-existent interventions allied to political interference have instilled a dependency syndrome which has reduced people's willingness or ability to expend a greater effort in participating in, and contributing to government interventions.
- Belize has a wide range of ongoing, innovative, programmes which address virtually all the major priorities, managed by dedicated personnel. Their effectiveness is, however, constrained by low coverage, a lack of resources to scale up, an absence of inter-agency co-ordination which prevents the successes and failures of particular programmes being used to refine other existing programme.

9.6 *Some Key Issues*

The following questions have been raised during the course of the study. While several have been implicitly addressed at various junctures of this report, it is considered desirable to address them in this section as they will provide an important input to the recommendations included in the POA.

9.6.1 *Economic/ Developmental Issues*

Question(s): *What is the development paradigm being used for analysis?*

The development paradigm is that poverty largely results from lack of income and that the main determinant of this is the absence of investment and economic activity which reduces job creation. Virtually all the evidence is that substantial reductions in poverty occur during periods of economic growth and that this occurs not through the implementation of poverty reduction programmes but from the direct employment created and the multiplier (trickle down) impacts when the income so generated is spent locally, i.e. is neither saved nor remitted overseas. The secondary impact of increased economic

activity is to increase government revenues that can then be used for social spending whether on education and health or targeted social protection programmes.

Question(s): *What, for example, is crippling the economy and society of this country? What blockades Belize's progress?*

The travails of Belize's economy are largely due to factors outside its control: the recession which has reduced tourist arrivals, the peaking of oil production, the rise in food and other prices, the reduced demand for its agricultural products (previously protected by now expiring preferential agreements), the lack of new economic drivers and natural disasters. The fact is that many LAC countries are having to deal with very similar problems and few are managing it successfully. One country that could provide a role model is Costa Rica – not too large and similar geographic situation. However others such as Chile (resource rich) and Barbados (long established tourist sector) have fewer similarities to Belize. Brazil has managed to increase targeted programmes but on the back of a growing and high taxation economy.

The data is insufficient to conclude that the society of Belize is 'crippled'. Most people are highly self-reliant – they have to be as there is little in the way of direct social assistance. Social problems exist but over 60% of children live with both parents; crime and violence are severe in Belize Southside but much less so elsewhere. Income inequality is low by Latin American standards while other key social indicators are superior to those of neighbouring countries and comparable to those prevailing in the Caribbean. Furthermore, in a low growth situation, the feasibility of individuals to establish income generating solutions is inevitably going to be limited by lack of demand. This situation has prevailed in the last few years as the principal growth sectors (tourism in the Cayes and the oil sector) have generated little in the way of multiplier effects.

Question: *To what extent is this situation the result of historical and cultural factors?*

To the extent that the present can never be entirely divorced from its past, it is evident that longer standing historical, cultural and geographical factors are a major factor in Belize's current situation. Belize today is a product of its pre- and post-colonial history when the authorities operated mostly in the interests of a small minority of the population – as they did in most countries throughout the world. Rosberg²⁰⁸ has shown how this legacy affected both the governed and those in power alike with alliances and policies shifting with changes in the balance of power and external and internal factors. His conclusion is that most actions can be traced to issues of short-term expediency designed to further the interest and survival of each group and that the political expediency that developed during this period is a cause of poor governance in Belize today (and presumably other Caribbean and non Caribbean ex-colonial countries)²⁰⁹.

Yet does knowing this assist in formulating recommendations for alleviate income poverty and enhance wellbeing? It undoubtedly emphasises the need to put a premium on understanding the motives and interests of the stakeholders involved in any given poverty reduction initiative. But, as is evident from the institutional analysis, many programmes are being designed with these types of considerations taken into account; they are also being implemented by government officers fully committed to them. Whether this is enough to achieve the reduced depoliticisation of development issues is uncertain but given that

²⁰⁸ Rosberg M., 2005, The Power of Greed, op. cit.

²⁰⁹ As with other issues identified in this report, one has only to look at developed countries to see how political expediency results in major changes in policy.

this is seen to be an impediment to effective poverty reduction, recommendations to this effect need to be made that do not necessarily reflect the immediate interests of those concerned.

Cultural factors are evident in some of the issues found in this study, such as the different levels of female emancipation and social cohesiveness between the Mayan and Creole populations. The former are poorer but only 16% of children live without both parents compared to 57% for the richer Creoles. Anecdotal evidence suggests that domestic abuse occurs amongst the Maya while household dysfunction in the urban areas has contributed to an epidemic of criminal and violent behaviour (although such behaviour occurs in many other countries with very different economic and cultural histories). Yet where does tracing the origins of these factors get us? If these types of behaviour are considered, as the study team believes, to be socially unacceptable, this is surely enough to require interventions. Understanding the cultural factors that contribute to these factors will facilitate the design of these interventions but it should surely not be used to excuse or make acceptable such types of behaviour.

Similarly, the fact that early pregnancies may result from a combination of young men and women feeling that children are necessary for their self esteem and social acceptance merits interventions which decrease the risk of future household dysfunction and child neglect. In these cases, it is not always feasible to address the root cause of the problem (e.g. poverty, lack of job opportunities, and previous family history). Interventions must therefore, in some way or other, be remedial (life skill and parenting classes) rather than truly preventive²¹⁰.

Question: *Are larger households a cause or consequence of poverty?*

The evidence is clear: poverty is much higher amongst larger households due to the increased ratio of dependents to earners. Yet if these households were split, poverty would not decrease. Nor is income poverty necessarily correlated with quality of life. Poorer large households may thrive if there is an atmosphere of mutual respect and cooperation where resources are shared, dependents contribute what they can and are supported by those who work. In this context, it is noteworthy that factors which reduce the risk of aberrant behaviour include and harmonious household relationships. Conversely smaller, not poor households, e.g. older persons on their own, may experience loneliness and isolation; likewise, children in not poor single parent households may suffer from the lack of a father figure or the, understandable, preoccupation of the mother with earning an income to the detriment of child care (e.g. latchkey children). These are instances there can be an imperfect correlation between income poverty and well-being.

Yet the issue of large households remains with children being the most vulnerable members as a result of both poverty that can disrupt their schooling due to the need to work, participate in home duties or lack of funds for school fees. A number of interventions are possible: assistance with school fees, more flexible timetables to accommodate some work and home duties, increased family planning advice to enable women not wishing to get pregnant again to access contraception, increased availability for assistance with parenting. Many of these are already being tried. The priority would therefore to identify the strengths and weaknesses of these programmes to enable replication of the best features of each.

²¹⁰ Indeed it could be argued that most gender programmes targeted at women adopt this approach in that they rarely reflect the role of men in the discrimination that is being combated.

Question(s): *Can there be recommendations that guide Belize towards an effective economic investment strategy and more efficient tax collection system so that a growing surplus can be redirected towards the social safety net and development strategy for the low-income population?*

The formulation of an investment strategy is probably not of great value as what will govern developments is changing national and international economic trends, few of which can be accurately forecast. Few governments will reject a proposed investment if it contradicts an established strategy.

An analysis of the tax regime is beyond the resources of this study. Nevertheless, it is noted that: taxation in Belize is equivalent to around 24% of GDP which is high by Latin American standards where the median is only 10%²¹¹. There thus appears to be little scope to raise taxation levels. However, income from land and property taxes is negligible - little over 1% of total tax revenues, while the tax on land is only 1% of its unimproved value; if these were increased it might be possible to reduce the General Service Tax or import tariffs which have greater impact on the poor and the rural sector.

Question(s): *What are the mechanisms for coordination of the Poverty Alleviation work?*

Poverty alleviation work should not be seen as distinct from mainstream government programmes. Implementation of most programmes will therefore be the responsibility of line agencies, semi-autonomous organisations such as SIF, and NGOs. What is required is the commitment from, and adequate funding for, these agencies. Notwithstanding some programmes are cross-cutting and will involve the participation of several agencies. In these instances, ad hoc committees will need to be established to implement these programmes. Improvements in co-ordination are also required to reduce overlapping and duplication and to pool the lessons learnt from previous programmes so that their design can be enhanced.

At the strategic level, a high level committee would be needed to identify the recommendations that should be implemented in the short-term and direct the executing agencies to implement them.

9.6.2 Political/ Societal Issues

Question(s): *Is there politicization reflected in many or most of the facets of national life and also in the implementation of the action programmes? What evidence is available in the Belizean data to indicate this?*

The evidence on this topic is inevitably qualitative and anecdotal. A large number of PPAs mentioned the detrimental impact of politics. Indeed it was the primary theme of the analysis of the PPAs prepared by NAT members and PPA facilitators. Furthermore, this theme appeared in virtually every interview and discussion undertaken during the course of the study. It also occurred in the consultations held prior to the preparation of the NPESAPs in 2005/06 and 2008/09. If anything, the situation is worsening and anecdotal evidence suggests that even Village Council elections are becoming highly politicised. Based on other CPAs, the negative impact of politics is greater in Belize than in other Caribbean countries.

²¹¹ Breceda et al., op cit.

Question(s): *What does the literature say about this topic have to offer to our understanding of this phenomenon? Are there best practices - known to the TOC - that have had success in other countries of the region? Who has grappled with it elsewhere with some success and how can this shape the CPA's recommendations in ways that are politically acceptable?*

Although some pointers are available: pressure by international agencies can have some impact, especially where they exert a major role on the economy, by imposing conditionalities on loan disbursements. Rosberg²¹² proposes the introduction third party mechanisms which create incentives for more transparent, and less corrupt behaviour. However, these will have less impact if corruption is related to locally-funded programmes and/or decisions on project identification and beneficiary selection.

If there is any consistency, it is that corruption decreases with a regime change, e.g. Indonesia after Suharto, Uganda with Museveni after Obote, the current government in Rwanda, Zenawi after Mengistu in Ethiopia. However, where corruption is endemic across the political system, changes in government may have little impact. Nonetheless, the crucial condition would appear to be leadership rather than enhanced legislation or pressure from international agencies especially if one of their primary objectives is to make loans. The key message is that few countries provide incontrovertible examples of how to deal with these issues, i.e. reduce poverty in a low economic growth situation where the political system is in danger of being corrupted.

Question(s): *What are the gaps among GoB, NGOs and Private Sector—including co-ops and credit unions (including information, skills, expertise, moral and entrepreneurial values and attitudes) for enterprise promotion and development in Belize to which the Study Team can point? What will increase the transparency and accessibility of those services that allow able Belizeans with low incomes to do more for themselves?*

The most important gaps are deemed to be (i) the lack of mechanisms for a constant interaction between government and the private sector; (ii) the difficulty of accessing credit by small scale enterprises, especially start-ups; (iii) the willingness of credit unions to provide loans to poor/ low income households; (iv) establishing and promoting criteria and conditions for credit applications; (v) providing managerial, accounting and technical training for successful applicants; (vi) ensuring that start up enterprises have a realistic market to aim for.

Question(s): *How do the nation's facilitating bodies strengthen their capacity to coordinate their efforts to reduce dependence on Government so that more jobs and businesses can be initiated? How can these bodies work together better to put greater emphasis on facilitation and self-reliance, and to reduce the need for dependency?*

Dependency in Belize is not an easy concept to define. At the highest level, the country is dependent on foreign assistance for most of its capital expenditure; it is also dependent on external economic trends²¹³. At the lowest level, few individuals are dependent on government as direct assistance is highly limited. Likewise, they cannot be dependent on government for employment as the government has little ability to directly create jobs. It follows that this dependence is largely a misconceived perception. It has arisen for three general reasons. Firstly, politicians, especially during election periods, have raised expectations that have not been fulfilled, and probably cannot be, thus establishing a belief in the population at large

²¹² Rosberg M., 2007, op cit.

²¹³ In fact few economies are insulated from international trends with oil producers being perhaps the main exceptions.

that governments can solve all the big issues and, when they cannot, a sense of disillusion and distrust. Secondly, because politicians can dispense some favours and facilitate (or curtail) access to certain programmes or services, they are seen as the prime providers. Thirdly, weaknesses in the provision of government services and redress mechanisms have encouraged people to rely on politicians to help them out when in time of difficulty. Both the latter have reduced the perception that communities, households and individuals can do more for themselves.

It follows that the first steps to be taken in reducing and in addressing this issue are: (i) to get the message across about the limitations of government's abilities to solve all the needs of the population single handed; (ii) to reduce political involvement in the development process; and (iii) improve the functioning and delivery of government services. While the key requirement is political leadership, it will nevertheless need to be supported by more transparent eligibility criteria, better staff management (including complaints procedures), and for certain types of programme greater reliance on service provision through other organisations, e.g. NGOs and CBOs.

But these agencies can also have limitations. As has been pointed out, there is limited co-ordination between these agencies. Their track record, in terms of quantitative achievements in Toledo, where government involvement in development programmes has been limited, is not that great. They are also relatively small and do not have the organisational abilities of agencies such as the Ministries of Education and Health or SIF; conversely, none of these have experience in micro-credit and income generation projects which some NGOs, co-operative and credit unions do. The implication is therefore that these NGOs need to substantially increase their collaboration so that they can develop and implement state of the art micro-credit/ micro-finance and income generation programmes on a wider scale than hitherto.

Question(s): *What incentives can be factored into the economic fabric of Belize to strengthen broader re-engagement in Belize by the citizens?*

By insisting that virtually all targeted assistance or local infrastructure investment are conditional on buy-in by beneficiaries through cash contributions, school / clinic attendance, labour and/or responsibility for upkeep. Other measures could be increased involvement throughout the entire project process, guaranteeing project / programme continuity.

9.6.3 Education

Question(s): *Education doesn't occur in a vacuum. So what is to be done in the area of income generation that is connected to what must happen in education?*

Curricula need to include more relevant vocational programmes as well as courses in general business studies.

On an allied issue, the education system cannot be expected to compensate for parental failure by providing all a child's physical and emotional needs as well as a secure loving environment. Efforts have to be made to increase parental responsibility (especially by fathers) and parenting skills.

9.6.4 Social Protection Issues

Question(s): *Included as an issue among those who cannot help themselves adequately, how can Belize develop sensitive, responsive, and sustainable social safety nets? In what ways are the institutions in Belize that respond to issues of poverty and development appropriate and adequate? Where there are inadequacies, how did they come about and why do they*

persist? What adjustments are necessary for them to respond adequately? Given the political, economic and cultural realities of this country, what initiatives from other countries might be adapted to suit Belize?

The results of the Study Team's analyses suggest that the social sector ministries are well aware of their responsibilities to address the needs of the poor and the vulnerable. Programmes such as education subsidies, free text books, NHI, the NCP, housing grants exist as do a wide range of smaller social programmes that address virtually all the issues raised in this study. Three generic types of inadequacies have been identified: low coverage due to lack of financial resources, poor targeting due to political interference and lack of defined eligibility criteria, and sub-optimal implementation due to issues of staff quality and lack of operational expenses. While financial resources are dependent on government finances and priorities, implementation can be improved by better targeting, improved staff training, exchanging experiences on the effectiveness (or lack of) of existing programmes and reducing political interference.

Initiatives from other countries that could be applicable to Belize are cash transfer programmes (conditional or not) and food/ cash-for work programmes with an emphasis on indigent households, drop outs and young adults. The viability of such programmes is essentially a financial issue. Other relevant initiatives are those related to social and family issues. The issues of dysfunctional families, unplanned pregnancies, anti-social, violent and criminal behaviour are little different than those affecting low income families in UK (and presumably the USA). Measures currently being considered in Britain are penalties for parents failing to control their kids anti-social behaviour, sex education from age 5, on demand contraception for teenagers (i.e. with no reference to parents), micro-approaches to 'chaotic' families, inter-agency co-operation in the identification of children at risk. In addition, there are several NGOs working with disaffected youth, some using a strict disciplinarian approach and others that provide a freer, welcoming and secure environment that is absent from many of their target population's own homes. Internet research can provide information on most of these.

10 The Programme of Action

10.1 General

This Chapter presents the CPA’s recommendations, collectively described as the Programme of Action (PoA). Recommendations have been drawn from the entirety of the CPA’s research and analysis, namely:

- The LSMS.
- The PPAs.
- Interviews and round table discussions undertaken as part of the Institutional Analysis.
- Additional research undertaken in Toledo and Belize Southside.
- The NAT’s own suggestions.
- The ToC’s professional experience.

This report also incorporates the comments on the POA made during the District and National Consultations on the Draft Final version of this report held in January 2010.

10.1.1 The Key Messages

Several key messages emerge from the totality of the research carried out for the CPA. These messages are shown in Box 10.1 and will provide the basis for the recommendations to be included in the Programme of Action.

Box 10.1. The Key Messages

No.	The Message
1	Government finances are likely to be severely constrained in the short and medium terms implying that a significant increase in funds for development projects and targeted poverty reduction programmes is unlikely. This puts a premium on making the best use of the funds available by improving the management and effectiveness of current government operations.
2	The private sector will be responsible for most new job creation, which is crucial for poverty reduction. It should therefore be supported wherever possible.
3	The implementation of development policy and programmes has to be depoliticised to avoid the very prevalent culture of dependence from becoming even further embedded.
4	Local participation has to be a feature of the entire project cycle for community infrastructure and social projects. Effective participation, along with contributions in cash or kind, is often absent and this reduces beneficiary ownership and responsibility.
5	There is a wide range of rural / community development and social programmes but their effectiveness is often reduced by: (i) limited coverage; (ii) overlapping and duplication; (iii) lack of inter-agency joint working; and (iv) the absence of mechanisms to jointly review the reasons for their success or failure.
6	The delivery of current services, especially in rural areas, is frequently hampered by low staff morale and discipline, and inadequate resources for equipment, operations and maintenance. There must therefore be a strong focus on implementation as a well designed programme will have little impact if it is not properly implemented.
7	Recommendations need to cover both income and non-income (i.e. wellbeing) aspects of poverty and address issues related to poverty in the future as well as today.

10.1.2 The PoA in the Context of the NPESAP

The Programme of Action (PoA) has also been formulated in the context of the NPESAP. Given that the NPESAP has just been revised, there is little sense in the CPA preparing its own Poverty Reduction Strategy. Furthermore, the comprehensive nature of NPESAP means that there is also little to be gained by simply repeating its policies and recommended activities. The crucial question is therefore how the CPA's PoA can complement and reinforce the current NPESAP. This question was discussed at various junctures during the course of the study. As a result of these discussions, the following general principles have been adopted in order to formulate the PoA:

- The PoA should not attempt to replicate the total coverage of the NPESAP. More specifically, it should give greater emphasis to specific activities (projects and programmes) rather than more general and all-embracing strategic actions, which are covered in the NPESAP.
- The PoA should concentrate on those issues which have formed the basis of the CPAs research. It should not attempt to cover every aspect of the NPESAP.
- The PoA should identify policy areas which have either not been addressed in the NPESAP or for which more specific recommendations can be made.
- If the NPESAP has one shortcoming, it is that it does not identify priorities. Prioritisation is an important issue given that (i) financial resources in the short and medium terms are likely to be limited, and (ii) not every recommendation can be implemented simultaneously. Accordingly, the PoA needs to identify actions which are deemed to merit the highest priority because: (i) they are most urgently needed; (ii) they can be achieved at relatively low cost; and (iii) they are implementable within a relatively short time frame.

10.1.3 Priority Sectors

Based on these principles, recommendations for the PoA have been made for the following sectors/priority areas:

- Governance and Institutions. (10.2)
- Productive sectors: Agriculture, Tourism and Finance/ Credit (10.3)
- Health (10.4)
- Education (10.5)
- Social Services (including support to vulnerable groups) (10.6)
- Housing, Land and Infrastructure (10.7)
- Belize South Side (10.8).
- Toledo (10.9).

These sectors have been selected for priority attention both because they have provided the main focus for the study's research and because they have been most frequently cited as priority concerns in the PPAs and the interviews carried out as part of the Institutional Analysis. They are also those that are considered to offer the greatest potential for both reducing income and non-income poverty, and enhancing national social and economic development in the short and medium terms. It should be stressed that the emphasis on the above sectors should not be construed as invalidating or indicating lack

of support for other NPESAP policies and proposals which are not explicitly referred to in this document.

Although recommendations are presented sectorally, many will require inter-agency co-ordination as some critical issues, e.g. families, gender and youth, are cross-cutting in nature. Each recommendation is accompanied by its primary justification/ rationale, i.e. why do it? This Chapter contains a large number of recommendations yet neither financing nor institutional capacities will be available to enable all to be implemented simultaneously. Section 10.10 provides order of magnitude cost estimates for some key development objectives arising from this study Section 10.11 looks at issues relating to monitoring, evaluation and target setting. Section 10.12 presents those recommendations that are considered to merit the highest priority while section 10.13 contains some concluding remarks.

10.2 Governance and Institutional Strengthening

10.2.1 General

Good governance and effective institutions are necessary conditions for sustainable economic and social development. Without it, 'good' programmes cannot be properly implemented; 'bad' programmes get selected based on political whims; staff morale and discipline drop; corruption can become endemic further establishing a cycle of declining performance and acting as a disincentive to domestic and foreign investment; and a growing disillusionment with, and antipathy towards, politicians and government by large sections of the population leading to a reluctance to take initiatives on their own behalf. Moreover, in a period of economic austerity, there is a clear premium on improving the efficiency and delivery of services and projects, refining these to resolve implementation issues that arise following their inception, identifying programmes that are most effective and concentrating resources on these. Action on these issues will also tend to require less additional finance - a vital consideration.

Governance issues are therefore both of critical concern and embrace many different aspects of government performance. Accordingly, the following recommendations have been categorised as follows:

- Governance – political issues
- Inter-agency co-ordination.
- Human Resource management.
- Operations and Maintenance
- Donor agencies.

Many of these issues are also generic in that they affect many government and non-government organisations; particular organisations are therefore only mentioned where issues are considered to be specific to these agencies. Several of these recommendations are implicit rather than explicit in the NPESAP while others receive little consideration. In both cases, it is considered essential that they be given much greater importance.

10.2.2 Governance – the Political Issues

“Across the country, participants expressed high levels of frustration, mistrust, apathy, cynicism and public disgust towards the political process due to be perceived corruption and a lack of transparency and

accountability of public finances. They saw corruption as being deeply imbedded in Belize's political culture and practiced in institutions across the country, including the public sector, and statutory bodies within NGOs. They viewed corrupt practices at all levels of society to have contributed to the mismanagement of national resources, some of which could have been targeted for poverty reduction initiatives. They therefore felt that transparency and accountability needed to be addressed both at the national level and at the level of the pro-poor planning and programming to ensure an enabling policy environment for poverty reduction”.

It is depressing that the above quotation, which comes from the consultations undertaken in 2005²¹⁴, could just as well have been written for this report. If there was one over-arching message from the PPAs, it is exactly this – the failure of the political process to provide a transparent and equitable distribution of resources unbiased by political allegiances and rent-seeking behaviour which has led to disillusionment, apathy and a belief that closeness to politicians is the only sure way of moving ahead. Similar comments about the deleterious impact to politics on project and programme implementation were heard at virtually every single agency interview and discussion, and there were many, held during the course of this study. A similar response was received at more recent NPESAP consultations²¹⁵. In all cases, participants commented on the influence of party politics on resource allocations: communities and households favouring the ‘right’ party were far more likely to have their requests for assistance met or their applications approved than if they were of the ‘wrong’ party. The relevance of the above quote is corroborated by the fact that Belize is ranked as having Transparency International’s 8th highest perception of corruption index out of 32 LAC countries.

For this situation to be reversed there has to be a depoliticisation of development programmes. Politicians should set policy, which is their duty, but should only be tangentially involved in its implementation. Where direct resource allocation is involved, e.g. land allocations, community selection for infrastructure projects, household selection for targeted programmes (e.g. housing grants), their influence should be much more limited than it is today.

The recommendations presented in Table 10.1 designed to assist this process, even if remedying this situation will require a serious change in political attitudes which is unlikely to be achievable purely through new legislation or policies. It should be emphasised that we are not saying that there is not room for debate and controversy over the formulation of policy but that once agreed, implementation should be based on policy and technical, not political criteria. Bi-partisan support is essential for this process to succeed and if these recommendations are to stand a chance of being implemented.

10.2.3 Inter-Agency Working

Many recommendations require the participation of several agencies given the complex nature of the issues that they are addressing. In some sectors, e.g. social programmes, there is also overlapping and duplication of programmes which is wasteful of resources. The wide number of programmes in some

²¹⁴ NHDAC, 2006, National Poverty Elimination Strategy and Action Plan 2006-2010, Public Consultation, Belmopan.

²¹⁵ “... the public consultation process experienced difficulty in mobilizing the poor to act as a constituency in their own behalf. Because of unfulfilled promises in the past, the process was not as well supported as anticipated and revealed deep antagonism towards politicians and political processes”, NPESAP, 2009-2013, p.62.

sectors also implies that (i) some are likely to be more effective than others and (ii) that implementing agencies could learn much from each others' successes and problems encountered. All these issues invite a much greater emphasis on inter-agency co-ordination and co-operation than currently exists. In order to achieve this, the recommendations contained in Table 10.2 are made.

Table 10.1: Recommendations: Depoliticisation of the Development Process

Recommendation	Why do it? (rationale)/ Comments
A clear statement from the highest level of government has to be made that party political considerations must not form part of deliberations concerning the allocation of development and poverty reduction resources. All political parties should buy into this policy.	Without a statement of this type it is doubtful how the current situation can be changed. Bi-partisan support is essential.
Eligibility criteria should be established and publicised for all programmes where targeting is involved.	The absence of these is one reason why selection of beneficiaries is open to undue political interference. Programmes designed for the poor and needy need to achieve improved targeting.
Elected representatives should be able to make representations concerning applications for land but the final decision should be the responsibility of village councils and the Department of Lands.	The primary role of elected representatives is to decide policy not to implement it. In particular they should not be involved in decisions as to who gets what. The same applies to the allocation of funds by SIF and the distribution of house improvement grants.
Elected representatives should sign contracts explicitly preventing them from using their influence to approve or deny applications for land, infrastructure and other assistance by their constituents.	
Where village councils are involved in decisions regarding allocations of land, selection of beneficiaries for targeted programmes, they should adhere to the established criteria for decision making without any consideration of political affiliations.	The primary responsibility of village councils is to develop their communities as a whole and not just for the favoured few. Contracts could be established that bind VCs to accept the agreed targeting mechanisms.
Introduce training courses (responsibilities, community mobilisation, financial management, conflict resolution, land issues, identification of priorities, and potential funding sources) for new village council members.	Village councils have a pivotal role in the development of their communities yet training is needed so that they can fulfil their functions.
Appeals procedures should be put in place to provide a mechanism to deal with grievances.	At present, aggrieved persons have little means of redress.
Ensure that any political appointments and the redeployment of staff in the government service are 'justified' by the ability of those selected.	Reduce political involvement in the operation of the government bureaucracy.
Impose/ accept conditionalities whereby funding for multi-year programmes increases following successful annual reviews.	Funding becomes conditional on effective programme implementation.
Devolve programme delivery to NGOs, statutory bodies (SIF) and Autonomous Project Execution Units where feasible and with a clear definition of responsibilities.	SIF, with a portfolio of around 400 completed projects, and several NGOs have proven expertise in delivering programmes and contract management. Using 'outside' agencies facilitates the imposition of performance contracts. Precedents already exist, e.g. BRDP, some SIF projects.

Table 10.2: Recommendations: Inter-Agency Working

Recommendation	Why do it? (rationale)	Comments/ Action
<p>There should be a clear directive from government that departments should work together in the design and implementation of programmes dealing with cross-cutting issues and those with funding implications.</p>	<p>At present, inter-agency working is limited. Several recommendations will only be successful if agencies work together. A piecemeal and disjointed approach to applying for donor assistance should be avoided.</p>	<p>Applies especially to programmes aimed at youth issues including youth employment, life skills education. Also applies to NGOs working in rural/ community development and private sector/ NGOs involved in rural credit provision. Should include representatives from different ministries, NGOs, other organisations as required.</p>
<p>There should be regular meetings between organisations working in the same field so as to identify strengths and weaknesses of current initiatives, identify good practice, discuss potential solutions and prepare joint funding proposals.</p>	<p>At present, there is a wide range of programmes. There is however duplication as well as overlapping responsibilities; some will also be more effective than others. Coverage of most programmes is very low. Hence need to more clearly define responsibilities and continually improve programme effectiveness.</p>	<p>The uncertainty over current SIF and SPAP proposals for social development in Belize South Side is an example where lack of co-ordination could be detrimental. Potential topics for these round tables would be: family issues, youth issues, the elderly, credit schemes, rural development programmes.</p>
<p>Involve all stakeholders (funders, implementers, beneficiaries) in <u>programme design, planning and implementation</u>. Beneficiaries (households or communities) should fully understand their responsibilities and not be pushed into participating. Ensure that programmes are holistic in that they do not solve one problem only to create another. Implement pilot programmes. Avoid scaling up before pilot projects have been reviewed.</p>	<p>Programmes that address social and rural development issues involve a number of inter-related factors that must be both understood and addressed if the intervention is to be successful. Unintended consequences/ potential adverse impacts also need to be identified at an early stage.</p>	<p>Most programmes experience 'teething' troubles. It is crucial that these are addressed before full implementation. There is little point in developing craft production if there are not the means to market the product, or even the demand for it. Likely to make programmes more labour intensive but essential if programmes are to be successful.</p>
<p>Government departments should publicise, and make available, the data they hold.</p>	<p>There is considerable information available which could facilitate policy development and programme design.</p>	<p>SIB has several databases, Census, LFS, MICS, which could provide more detailed analysis of benefit to other agencies. Requirements need to be clearly specified and there will be some financial implications.</p>

10.2.4 *Human Resource Management*

The Study's research has shown that staff management in many departments (especially health and education) but all organisations with staff operating in the districts could be improved. There are both few mechanisms for addressing staff concerns or, conversely, for monitoring their performance.

Table 10.3: Recommendations: Human Resource Management

Recommendation	Why do it? (rationale)	Comments/ Action
Speed up recruitment procedures.	Delays in filling vacancies reduce service provision.	Requires discussion with Administration Dept..
Introduce staff mentoring and HR system so that staff can discuss their problems.	Improve staff enthusiasm and morale: staff morale especially in rural areas can be low which detracts from their teaching ability. They also can feel isolated.	Applies especially to teachers and health staff but also agricultural extension staff.
Provide/ increase incentives to staff in rural areas in remote locations - stipends, m'cycles.		
De-centralize HR systems to districts with HR mandates for district managers with appropriate training provided.		
Establish reporting system for service improvements and emerging trends to district and central management.	Field staff are as likely to be aware of needed improvements and new issues as anyone.	Will contribute to raising morale if staff believes that they are being listened to.
Monitoring of performance – grievance procedures, enforcement of contracts.	PPAs and other discussions mentioned lack of staff respect for clients, poor staff performance and non-compliance with contracts.	Simple customer satisfaction surveys could be introduced. Could be included in remit of monitoring unit. While there is inevitably a disciplinary element inherent in some of these recommendations, the major priority is to ensure that there is a continuous process of review of programme delivery.

10.2.5 *Operations and Maintenance*

Without adequate funds and training for O and M, staff efficiency is curtailed, morale is reduced, new projects become non-operational, and customer satisfaction decreases. O and M therefore has to be given increased priority. The recommendations contained in Table 10.4 have been designed to address this issue. By definition, given the inadequacy of current budgets, there will be financial implications.

Table 10.4: Recommendations: Operations and Maintenance

Recommendation	Why do it? (rationale)	Comments/ Action
Provide adequate budgets for operation, maintenance and administrative costs.	Lack of O and M budgets reduces effectiveness of service provision, reduces staff morale and customer satisfaction. If projects cannot be maintained, why build them in the first place?	Inadequate fuel and transportation often cited as major constraint on operation. Disrepair of buildings and equipment also mentioned.
Improve budgetary planning but with greater budgetary flexibility.	Where under-spending occurs, funds should be transferable to other budget lines, e.g. O and M.	This already occurs in some departments. Some district health budgets have been underspent.
Develop innovative maintenance schemes using retirees, unemployed, communities.	Maintenance services should be decentralised with fewer restrictions on the use of small local contractors for minor works. Provides opportunity for reducing local unemployment, improving maintenance and reducing costs.	While some services could be provided voluntarily, financial incentives will be required with priority given to increase participation of unemployed youth and poor women.
Improve supply chain management of supplies and equipment.	Health services can be restricted by lack of drugs in govt. pharmacies and equipment in hospitals which increases costs for patients, especially those with chronic diseases, and reduces overall efficiency and customer satisfaction.	Applies to a lesser extent to schools. Specifically included in NPESAP in relation to cold chain management.

10.2.6 Funding Agencies and Donors

While the majority of the recommendations are targeted at GoB, several of the recommendations have implications for donor agencies. These are shown in Table 10.5.

Table 10.5: Recommendations: Funding Agencies and Donors

Recommendation	Why do it? (rationale)/ Comments
Donors and lenders should give greater priority to programme, as opposed to project, aid.	<p>Project aid often results in unsustainable projects with inadequate attention paid to staffing needs, general operating costs and maintenance.</p> <p>Increasingly requirements are for institutional strengthening, social, health and educational programmes rather than physical infrastructure.</p> <p>Some of these programmes are complex, require multi-agency cooperation, need careful design and pilot operation before they can be fully established, scaled up and become part of 'normal' government expenditure. Achieving these objectives may require a longer term funding schedule than is often possible with current lending and grant processes.</p> <p>Programme aid can be made conditional on achieving certain annual benchmarks with expenditure increased as these are met.</p>
Donors should pay far greater attention to ensuring that their assistance results in sustainable projects.	<p>Linked to the above, donors must increase the sustainability of their projects and avoid the need for follow up projects to reconstruct/ rehabilitate previous works. It's one thing to rehabilitate very old systems or buildings, it's quite another to have to revisit projects constructed in the last 5-10 years. This applies particularly to SIF projects but also the potential World Bank Urban Infrastructure project²¹⁶.</p>
Improved donor co-ordination: establish annual donor workshops	<p>Just as government programmes are prone to duplication, so are those of donors. It is important that donors meet on a regular basis to discuss existing and proposed projects, their strengths and weaknesses, opportunities for combining resources to enable a more integrated and longer term approach to be taken to the more complex social issues.</p> <p>Will also enable a more unified approach to government requests for funding proposals, especially those that do not conform easily to existing donor policy.</p>

10.3 Recommendations: Economic Sectors

10.3.1 General

Key conclusions emerging from the analysis are that (i) poverty reduction will be largely dependent on the overall health of the economy; (ii) future economic growth will be largely dependent on the private sector, whether locally or foreign-based; and (iii) as a corollary, the government has only limited ability to influence the development of Belize's economy. **It is therefore crucial that GoB does everything possible to support the private sector and address their concerns.** The most important recommendation is therefore that:

Government establishes regular meetings with the private sector, farmers' and employers' groups as well as banks and credit unions in order to identify their concerns and discuss how bottlenecks can be resolved.

Government finances are likely to be constrained for some time. The fiscal space to provide incentives to the productive sectors and to reduce the burden of high prices on low income households will therefore be limited. It has also been noted that revenue from land and property taxes is minimal. There

²¹⁶ This potential project may well include the rehabilitation of work carried under the early 1990s projects, which the government is still paying for!

may therefore be some potential for increasing the latter and using the increased revenue to reduce taxes on agricultural inputs and other basic foodstuffs; likewise, taxation on some luxury or less essential items could be increased. Although it is not known whether much revenue is lost through uncollected taxation, in a time of economic difficulty, the need for increased efforts to reduce this source of this 'lost' revenue appears incontrovertible. It is therefore recommended that:

The government reviews its taxation system to look at the potential for increasing revenue from land and property, which is currently negligible, and using the resultant 'gains' to reduce taxation on items which affect the living costs of the poor and agricultural inputs.

Efforts to collect unpaid tax are strengthened: although the extent of this problem is not known, it seems incontrovertible that efforts to improve tax collection should be redoubled.

10.3.2 *Agriculture*

At present around half the population live in rural areas where agriculture is the mainstay of the economy and where it provides around half of all employment. The majority of the poor population also resides in rural areas. Furthermore, while it contributes only around 11% of GDP, agriculture accounts for two thirds of total value of the country's visible (non service) exports²¹⁷. Belize has a substantial reserve of potentially cultivable land as well as a demand to extend cultivation into these areas. Improving the ability of this sector to generate both income and employment must therefore be a key component of poverty reduction activities in Belize. This has long been recognised and presently the EU is supporting measures to assist the banana and sugar industries.

Recognising the importance of this sector, two round tables were held with stakeholders from the agricultural sector during the course of the CPA. The first of these discussed the strengths and weaknesses of the sector (see Chapter 6) while the second, held in September 2009, concentrated on potential solutions to some of these issues. Based on these discussions and other study findings, there is considered to be potential for:

- Improving farmer training and extension services: this needs to be a two-way process to ensure that the services provided by extension services are relevant to farmers. Greater effort needs to be made to ensure that the advice provided reflects the technological and financial capacity of farmers. Extension workers are also the group which has the greatest contact with farmers. The Village Survey shows that around half of villages receiving agricultural support considered this assistance to be relatively ineffective.
- Improving agricultural training and support.
- Providing produce for tourist outlets. This proposal was discussed at the round table and received enthusiastic support.

The resultant recommendations are presented in Table 10.6; where relevant, recommendations should also be applied to fisheries sector. Apart from the issue of rural credit, these recommendations cannot

²¹⁷ This proportion was much higher (85-90%) prior to the exploitation of the country's oil reserves.

be explicitly referenced to NPESAP²¹⁸ although the 2008-09 budget speech contained a reference to setting up of a private/public sector team to advise on how to achieve a substantial expansion of the Belize's rural sector. This is exactly the type of public/ private sector co-operation that is required. It is to be hoped that this team identifies specific proposals to address issues such as crop diversification and market access refrains from more general policy statements.

Table 10.6: Agriculture: Opportunities and Recommendations

Topic	Recommendation	Why do it? (rationale)	Who should do it?	Comments
General	Identify currently uncultivated areas that can be suitable for agricultural production.	Belize is fortunate to have land available. The potential of this land for cultivation is however uncertain. Hence the need for this proposal.	Min. Agric	Could have a direct impact on national economic development and poverty reduction.
Co-operatives	Support formation of cooperatives at the commodity and/or village level to reduce costs through (i) purchasing farm inputs at wholesale prices; (ii) building and managing storage facilities; (iii) marketing and distribution.	Farmers need to improve their competitiveness and the quality of their produce. Working in co-operatives provides greater potential for economies of scale. Co-operatives can obtain loans at more attractive rates.	MoA BRDP Dept. of Cooperatives	Coops already exist in some sectors but distrust exists due to previous malfeasance. Hence support should be conditional on clear support from applicants and be subject to sound commercial principles. Should be available to non-agric. sectors.
Farmer Training	<u>Farmers Field Schools</u> : monthly meeting in each village of local farmers to discuss problems, opportunities. (FAO concept) <u>Key Farmer Program</u> : Identify key experienced farmers in each area who are willing to assist others with problems and opportunities; lead by example – see FAO report on extension services. <u>Extension services</u> : undertake a review of their effectiveness.	Identifying good practices and approaches to problems can be done much more easily in groups, and those most likely to provide it are the more experienced farmers. Also provides process for continuous exchange of views between farmers and programme providers (Govt. / NGOs). Current MoA activities are also not always seen as very effective. It is crucial that support is provided for new and less experienced farmers to maximise likelihood of successful enterprise and prevent 'slash and burn' cultivation and other non-sustainable methods. Advice also needed on water storage and drainage.	MoA Extension services (may need additional training). BRDP NGOs specialising in rural development. University research departments	Land is being cultivated for the first time, often by new farmers. It is crucial that good practice is identified and disseminated. Extension and other assistance has to reflect the needs, current practice, and technical/ financial capacity of potential beneficiaries to innovate. Overall objectives are to: (i) improve productivity; and (ii) make it a more attractive sector to work in, e.g. through agri-business.

²¹⁸ The draft Medium Term Development Strategy for agriculture does however make reference to increasing extension services and strengthening co-operatives and producer groups.

Topic	Recommendation	Why do it? (rationale)	Who should do it?	Comments
Linkage to Tourism Sector	Develop supply linkages with the tourism industry. At present, many tourist establishments use little local produce, yet these are widely sold in local markets. Develop and introduce certification scheme to establish minimum standards.	There is a substantial internal market to produce goods that meet international standards for quality, can be delivered when required, and in the needed quantities. Every effort should be made to reduce reliance on imported foods.	BAHA (standards) BRDP (establish local storage facilities) Cooperatives	Round Table participants agree to proceed with this recommendation and to contact Tourism Sector, ask for summary of tourism sector produce needs, meet with National Tourism Council.
Rural Credit	Increase access to rural credit (NPESAP, 1.3.i) by, inter alia, promoting collaboration and co-ordination between different lenders. (see also Table 10.8)	Farmers everywhere need access to credit to survive. They need it even more if they are going to expand their operations.	Banks Credit Unions	Mexico's Bunco Fomente Rurale offers a model programme involving business plans, loans, weekly allowances, and guaranteed sales to get farmers started.
Export Credit	Assess need for export credit guarantee system to assist agricultural exporters.			
Market information	Design and implement Market Information System (MIS) including assessment use of mobile phones and radio to disseminate market information.	Vital to enable producers to maximise revenue. Current proposals are for internet-based dissemination yet many farmers do not have internet access.	BELTRADE	Use of mobile phones is proving successful in other countries. System development needs to involve farmers.
Infra-structure	Construction of feeder roads. Undertake pilot projects for improved water storage and drainage of cultivated land. Assess need for post harvest storage facilities.	Essential for improving access to markets and facilitating expansion of cultivation into new areas. Increase land productivity and reduce soil erosion. Adequate post harvest storage facilities are crucial to avoid degradation of produce.	SIF Min. of Works	Priority should be areas where new cultivation is taking place. Need for post harvest storage mentioned during community meetings.

10.3.3 Recommendations: Tourism

Tourism is another sector crucial to the economy of the country. In 2007, this sector generated US\$290 million in visitor expenditure, accounting for 71% of total services exports and 22.4% of GDP. The sector exhibited steady growth from 2000 to 2006 but was then hit by the global recession as a result of which both stayover and cruise ship passengers decreased significantly in the last 2 years. While this sector will always be subject to the vicissitudes of the international economic situation, Belize has a superior mix of tourist attractions: abundant rain forest and indigenous fauna and flora, Mayan ruins and top quality reefs. Every effort should therefore be made to support and encourage this sector. Important recent and current initiatives have been the Tourism Development Project²¹⁹ which financed infrastructure in major tourist centres such as San Pedro and Placencia and the Belize Tourism Board's (BTB) marketing strategy focusing on tour operators that promote, within the European markets, the Central American region as a tour destination. The sector also benefits from a number of innovative entrepreneurs operating in all sectors of the industry.

²¹⁹ A follow up loan, the Belize Sustainable Development Project has recently started.

At the round table, the key issue it was felt could be addressed in the short term was increasing the supply of local produced goods (food and souvenirs to the industry. In consequence, the recommendations presented in Table 10.7 concentrate on these aspects. Considerable enthusiasm for these recommendations was shown during the discussions.

Table 10.7: Recommendations: Tourism

Topic	Recommendation	Why do it? (rationale)	Who should do it?	Comments
Food Supply	<u>Linkage with Agriculture Sector</u> to provide high quality locally produced food to hotels and guest houses.	Currently many hotels and restaurants provide have little local produce on their menus ²²⁰ . Increasing this will benefit local producers and help raise their incomes. need supply chain improvements	BTB Belize Tourism Industry Association (BTIA) Ministry of Tourism	Round Table participants agree to address linkage with Agriculture; wish to have Agriculture sector representatives attend and address Belize National Tourism Council meeting to discuss ideas and needs. Issues of quality and regularity of supply will need to be overcome.
Handicrafts and Other Souvenirs	<u>Handicraft/Artisan Sector Linkage:</u> develop location where Belizean artisans can display crafts.	Currently, 90% of handicrafts sold are imported. Reducing this proportion will increase local tourist expenditure and incomes.	BTB BTIA	Round Table participants agreed to promote local artisans and handicrafts; build a "Straw Market" in Belize City. Goods should be clearly labelled to identify artist, village, what object is made from, etc.
	<u>Artisan Cooperatives:</u> organize villagers, farmers and artisans to produce handicrafts.	Cooperatives should be developed as a solution to problems of marketing of output.	MoA Dept. of Cooperatives	MoA should put more effort into finding ways to develop coops rather than being mostly concerned with the financial and legal aspects. MoA should train staff as facilitators to organise cooperatives.
Cultural Tourism	<u>Encourage this sector through survey of under-exploited sites, e.g. Altun Ha.</u>	Every attempt should be made to enhance Belize's tourism product.	Min. of Tourism	Funding could be sought from UNESCO.

10.3.4 Finance and Credit

Access to credit is vital for small enterprises and farmers to operate and expand. This was one of the dominant themes emerging from the PPAs. The importance of improving the availability of credit is increasingly appreciated and a number of initiatives are under way to provide a wider range of credit facilities to individual households, small and medium sized businesses. These include:

- Scotia Bank offering simplified application process and simplified loan acceptance criteria
- DFC offering 6%-8% loans to small business/farmers and trying to make process of applying easier; also terms including grace period (to account for crop harvests)
- Micro-credit to households: BRDP, BEST and other NGOs.

The Round Table discussions also recognized that the conditions for providing credit need to reflect the characteristics of borrowers. The conclusion was that there should be four levels of financing:

- Micro finance (e.g. BEST, BRDP) for "non-bankables".

²²⁰ In one restaurant, the advertised 'exotic vegetables' mainly consisted of broccoli, carrots and cabbage!

- Development finance (e.g. DFC) including on-lending to credit unions (as proposed in the NPESAP).
- Small business/farmer (credit unions)
- Larger businesses/farmers (commercial banks).

Whereas micro-finance initiatives would be targeted directly at the poor, other credit programmes would be targeted at new and existing businesses. Neither of the latter two groups is likely to be poor but increasing access to credit would facilitate their growth and hence potential to create new jobs and their purchases of local materials.

However, for any credit system to be sustainable, borrowers have to (i) understand that they have to repay the loans, and (ii) prepare business plans demonstrating that the loans are financially viable. This is particularly the case with start-up businesses. These essential conditions hold true irrespective of whether or not lenders develop loan products that are better suited to small businesses and farmers than hitherto. Recommendations related to finance and credit are contained in Table 10.8.

Table 10.8: Recommendations: Finance and Credit

Topic	Recommendation	Why do it? (rationale)	Who should do it?	Comments
Develop innovative approaches to credit for SMEs	Develop model loan products for different target groups including application procedures, collateral requirements.	Prospective borrowers (poor households, new small enterprises, existing small entrepreneurs) have different credit requirements.	Banks and Credit Unions NGOs CBOs.	Some institutions are already doing this but banks should train some of their loan staff to understand farmer needs and especially the production cycles of different commodities. Different institutions should concentrate on different target groups based on their current expertise.
	Target credit programmes at existing businesses (incl. household-based activities) and start-up enterprises initiated by applicants.	These enterprises already have entrepreneurial experience and should thus be encouraged to the maximum.	Banks and Credit Unions BRDP MCF programmes	Will require less resources than trying to create income generating enterprises for poor households with low absorptive capacity. Successful micro-credit programmes should be identified and extended.
	Ensure that marketing issues are included in all income generation programmes.	There is little point in producing something if there is no market.	As above + BELTRADE, BAHA, hotels, etc.	Will require dialogue with potential private sector distributors and sales outlets.
Education/ Training for Financial Management	Public Education on Personal and Small Business Money Management Programme	Rural and urban poor need to learn about personal as well as small business finances; must coordinate education services; educate regarding how/why to save money, how to manage it.	Beltrade ScotiaBank DFC Bank of Belize (BEST?)	Round Table participants agree to proceed with this recommendation: Beltrade agrees to coordinate, other Bank attendees agree to provide lecturers for high school workshops in Belize City region as a pilot project). If successful, it could provide the basis for a TA application from a donor partner. <i>NB. This issue was also raised in PPA discussions in relation to education, new parents and young adults.</i>

Local Capital Markets	Assess feasibility of establish local capital market.	A local capital market would facilitate the equity financing of Belizean companies.	Min. of Finance	Would be consistent with MDG Report emphasis on boosting domestic investment. BUT small size of country may preclude implementation.
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The above recommendations embody a two-pronged approach involving on the one hand, improving the awareness of financial issues of poor and low income households, and on the other, gaining a better understanding of the credit needs of different borrower groups so that appropriate loan products can be developed by the most appropriate type of institution.

Whilst efforts to increase the income generating capacity of poor households should be encouraged, these often require major inputs in terms of general business and technical training. Their efforts are thus likely to have only a limited impact on incomes in the short term. This points to the need for greater emphasis to providing credit for existing businesses as these enterprises have already demonstrated their initiative by establishing a business.

10.4 Recommendations: Health

Health is a key issue in poverty reduction strategies. Firstly, ill health imposes major costs in terms of health care and loss of income. Secondly, a healthy population is an incentive for inward investment. Thirdly, research clearly shows that one of people's aspirations is to be, and remain, in good health. Fourthly, the health costs and lost income associated with medical emergencies and premature death can lead to impoverishment.

Belize's main health indicators, life expectancy and infant mortality, are generally better or on a par with Central American countries and larger Caribbean ones. Trends are, however, harder to ascertain due to fluctuations. Virtually all births are attended and most women receive several pre- and post-natal consultations. Many communicable diseases have largely been controlled through comprehensive immunisation. Malaria (much lower morbidity than a few years ago) and TB remain concerns, as does HIV/AIDS where the prevalence is one of the highest in LAC countries; it is also one of the leading causes of death. Hospitals have been built in each district and around a third of rural villages have some health facilities. Current concerns relate to increased morbidity from non-communicable 'lifestyle' diseases such as diabetes, obesity and hypertension. Costs of treating these chronic diseases are high.

The government provides a wide range of health care services, many of which are free at point of service. Nominal costs are imposed which can still cause problems for low income households, especially those related to hospitalisation and drugs if these are not available from the government pharmacy. The National Health Insurance Scheme is being introduced to provide a package of free basic health care services in parts of the country (Belize City Southside, Toledo, and Stann Creek). This service is consuming an increasing proportion of Ministry of Health's budget. Availability of doctors is below that of neighbouring countries, but provision of nurses is higher (although below those of Mexico, Jamaica and Trinidad and Tobago). Aside from the maintenance and continuous improvement of existing services (e.g. Mother and Child Health, immunisation, general medical services), current priorities are to improve rural health care, devote increasing attention to non-communicable diseases and address the issue of financing the health system, especially in relation to the objective of making the NHIS available nation-wide.

Whilst the great majority of Belizeans consider their health to be good, the PPAs and recent IDB research reveal concerns over the quality and cost of health care provision, especially in relation to drugs. This is most evident amongst the poor and the elderly, and in communities where health facilities do not currently exist. Table 10.9 contains the Study Team's recommendations for health.

Table 10.9: Recommendations: Health

Topic	Recommendation	Why do it? (rationale)	Comments
Rural HealthCare	Concentrate service provision in selected clinics.	Access to health care provision in rural areas is generally worse than in urban areas.	Villages along the Belize river are currently served in this way.
	Extend mobile and outreach clinics.	Having poorly equipped health facilities is probably less effective than concentrating resources in fewer locations and enhancing mobile services.	
Non-communicable diseases	Public awareness campaigns – physical activity, healthier eating, tobacco avoidance.	Morbidity from NCDs is likely to increase in the future. Costs of treatment are high and will pressurise an already tight budgetary situation.	Nutrition and eating programmes should be consistent with the minimum food basket developed for this study. Liaise with MEd for school-based campaigns to include regular physical activity, tobacco use prevention/cessation, etc.
	Keep abreast of new (and cheaper) treatments.	NCDs are a major problem in developed countries where new treatments and drugs are being introduced.	Could be done through internet research and ad hoc / informal study visits.
HIV/ AIDS and Reproductive Health	Strengthen reproductive and safe sex services with emphasis on potential dangers and consequences of unprotected sex. Mainstream some existing programmes into standard health care provision.	Objective is to provide widely available advice and services for all. HIV/ AIDS incidence high compared to LAC countries. Continued efforts are necessary given potential consequences if prevalence increases. Unplanned pregnancies are potential sources of future poverty. Mainstreaming these services will reduce HIV/AIDS stigmatisation.	Will address issue of unplanned pregnancies as well as increase services to high risk groups (sex workers, youth, homosexuals). Campaigns to promote protected sex will support measures to reduce unplanned pregnancies. Need for planning and co-ordination between NGOs essential – BFLA, NAC, VCT, etc. – whose existing programmes are often effective but have limited coverage.
Health care costs and NHIS	Review financing options for expanding coverage of NHI to rest of country.	NHI is widely available in Belize city but not elsewhere. NHI is well appreciated by most of those using it. Costs of making the NHIS available nation-wide will be substantial. Hence need for some targeting.	Various options already considered in Sanigest report. NHIS expansion has been delayed and no timetable exists at present. Options could include targeted exemptions (e.g. for the elderly, the poor and children); increased social security contributions or other taxation increases. Public awareness campaigns will be required to develop a consensus.
	Review, with a view to increasing, nurses' salaries to encourage them to stay and work in Belize.	'Loss' of nurses to emigration increases staffing issues for health care system.	Particularly relevant now that GoB is investing in training of nurses through courses at Univ. of Belize.
Other/ Social	Use medical staff to identify children/ women subject to Non-Accidental Injuries (NAIs).	Health staff are likely to be the first to come into contact with serious cases of these pernicious practices.	Requires liaison with MHDST. Need to ascertain legality of transferring information.

Topic	Recommendation	Why do it? (rationale)	Comments
Road Traffic Accidents	<p>Research causes of road traffic accidents.</p> <p>Improve signing and road layout at blackspots.</p> <p>Implement road safety campaign.</p>	<p>Traffic accidents are one of the major causes of death in Belize. Death rates are much higher than the average for low/ middle income in the Americas.</p> <p>Often has disastrous emotional and financial consequences for households.</p>	<p>Police: (i) produce qualitative report on major causes of traffic accidents; report (ii) implement reporting system for serious traffic accidents including probable cause.</p> <p>Public Works: remedial works at blackspots.</p> <p>MoH/ Govt. Information Service: driver and pedestrian safety campaigns.</p>

Virtually all the recommendations in Table 10.9 feature in the NPESAP, whether explicitly or implicitly, with the main exceptions being (i) using health staff to help identify children and women (and men) at risk from physical abuse and (ii) implementing measures to reduce road accidents, which lead to sudden and prolonged impacts on household incomes. Recommendations relating to improving maintenance of clinics and hospitals, supply chain management and other generic institutional problems are not included in the Table, as they have been addressed in Section 10.2. Specific issues relating to health care for the elderly are presented in section 10.6.

10.5 Recommendations: Education

Education is crucially important to poverty reduction in two ways. Firstly, it provides the citizens of the future with the skills needed to access employment opportunities and thence achieve sustainable and fulfilling lives. Secondly, by providing a skilled workforce, it encourages inward investment and hence economic growth. Investment in education, however, needs to be seen as facilitating poverty reduction in the medium and long, as opposed to the short, terms.

Several features of the current education system in Belize are encouraging. The country continues to have a higher combined gross enrolment rate than neighbouring Central American and Caribbean countries. Primary and secondary schools completion rates are increasing as is the pre-school enrolment ratio while satisfactory performance at CSEC exams by pupils in rural areas increased by almost a quarter between 2004 and 2007.

Yet there are also worrying trends. The primary school completion rate remains low at 77% with almost 45% of students taking the PSE achieving a mark of under 50%. Around 15% of those completing primary school do not proceed to secondary school – a transition rate which has changed little in the last few years. Only around half those in the secondary school age range (13-16 years) are attending secondary school with the situation being much worse in rural areas - with around half the population, rural areas provide under a quarter of secondary school pupils. The number of children completing secondary school in 2008 was under two thirds of those enrolling four years earlier; girls outnumber boys who are more likely to be drop outs and repeaters. Under half of pupils in Form 4 achieved a satisfactory outcome in the regional CSEC exams in mathematics and less than 60% did so in English; these percentages are also much lower in rural areas. Finally adult literacy is one of the lowest in the Americas²²¹.

²²¹ UN, 2010, *Human Development Report 2010*; <http://hdrstats.undp.org/en/indicators/99.html>

It is evident that resolving these problems will require continuous improvement in the education system over the long term. There are, however, a number of interventions that can be introduced in the short term which will address some of the above concerns. These are shown in Table 10.10. Several of these recommendations replicate those contained in NPESAP, 2009-2013 and are repeated here because of their importance.

In addition to its academic functions, education also has a role in helping to prepare the young for adulthood, employment, financial self-sufficiency and parenthood. This is particularly important in Belize where pressures, often but not always poverty-related, can lead to risky decision-making by teenagers and young adults that jeopardises not only their own future, but puts strain on relationships with friends and family. Recommendations covering non-educational issues but which would be mainly delivered through the school system are contained in the second part of the Table, e.g. life skill classes, non-school education, school involvement with identifying children at risk. As with health, recommendations to address generic issues relating to management, quality control and facilities' maintenance have been included in section 10.2.

Table 10.10: Recommendations: Education

Topic	Recommendation	Why do it? (rationale)	Comments
Academic/ educational Issues			
General Educational Standards	Reduce number of teachers with few or no pedagogic qualifications.	Unqualified teachers are less likely to be able to deliver quality education and maintain discipline.	Already being addressed by MEduc through short summer courses. Could also be addressed by ensuring that those with lower qualifications are mentored during their first teaching positions.
	Establish school inspection system to review school performance especially in terms of curricula and treatment of lower-performing children.	Low pass rates and drop outs imply that educational standards in some schools are inadequate. To some extent, this is likely to reflect teacher's performance.	Belize's mixed schooling system means that many schools have considerable latitude in their curricula. While this is not a problem per se, it is important that govt. has the ability to monitor the performance of schools and teachers. Current MEduc proposal which should be actively considered. Will also need discussions with church authorities and teachers.
	Reduce repetition rates (especially in secondary schools) by revising school rules to reduce reasons for repeating.	Repeating classes increases burden on education system and can reduce pupil's self confidence, and educational achievement.	Additional assistance to those with educational difficulties will be required. Develop a network of volunteers to provide some of the required support for slow learners as funds unlikely to be available for many paid staff. . Will also need discussions with church authorities and teachers.
	Monitor existing educational assistance programmes	Free text book and educational subsidies require substantial expenditure. In a time of financial austerity It is crucial that the effectiveness of these programmes be monitored.	Consideration could be given to phasing the education subsidy over the duration of secondary education and making it conditional on satisfactory performance.
Primary School	Combine small primary schools in rural areas.	Some rural schools are very small resulting in multi-grade classes which are difficult to teach resulting in reduced educational achievement.	MEduc already considering this but requires co-operation of churches who run the majority of schools.

Topic	Recommendation	Why do it? (rationale)	Comments
	Strengthen basic reading/ writing/ speaking skills through concentrated programmes in early primary school. Introduce international reading/ speaking tests to monitor standards. Use parents and retirees to assist teachers and mentor needy students.	Poor reading/writing/ speaking of primary school leavers which reduces educational achievement and future prospects.	Attention needs to be given to those areas where Spanish is the main spoken language in the home. Use BJAT results as a way to monitor child's progress and to assess need for remedial action. Examine current practice in USA, Canada, and UK to develop basic reading, writing and speaking skills. Involve primary school head teachers in curricula development.
	Evaluate UNICEF's child friendly school programme.	If successful, extending this programme will create a better learning environment for teacher's and pupils.	This is not a Belize specific initiative and UNICEF should have undertaken some evaluations.
Secondary School	- Introduce secondary classes in rural primary schools. - Construct dormitories in existing sec. schools.	Secondary school attendance in rural areas is very low as are exam pass rates.	Building more sec. schools in rural areas would be more expensive and would dissipate resources for quality sec. education. Dormitories have been used by the Chinese to overcome this issue. Would also enable teaching resources and facilities to be concentrated in selected schools.
	Introduce targeted vocational courses into curricula, in secondary schools. Introduce non-traditional subjects, e.g. gardening, into curricula at all levels.	Increase employability of school leavers and reduce youth unemployment. Low-skills of school leavers are frequently mentioned as barriers to employment.	Targeting is important - there is little point in introducing cultivation courses in urban areas. Possible examples are: cultivation/ farming/ REAP for rural schools, tourism-related in San Pedro/ Placencia. Consider using 'experts' to provide the courses: e.g. farmers, hotel / tour operators.
	Use Labour Force Survey to identify what jobs new labour market entrants are accessing.	Will provide an indication of the skills that are currently required by employers which can then influence school curricula.	SIB should undertake the analysis but should not be difficult. Also undertake interviews with key employers to assess strengths/ weaknesses of school leavers.
Non-Educational Issues			
Use education system to tackle social issues	Fully establish health and family life education (HFLE) classes (personal responsibility, sex / parenting education, budgeting, decision-making) as part of the curriculum.	Teenagers, especially from poor households, need guidance to avoiding making decisions (e.g. unprotected sex, drug use, criminal behaviour) which are essentially unsustainable.	Finance sector is offering to provide classes in financial management on a pilot basis. Existing Lion's Quest programme is considered to be successful so could be extended. Link with other agencies (MoH, MHDST) to provide the training so as to avoid the need to train teachers in every school.
	Use schools to identify 'at risk' children.	Schools are often where evidence of neglect or abuse first becomes apparent.	Considered vital if abuse is to be reduced along with its consequences. Requires co-ordination with MHDST and, in serious cases, the police. MHDST's Early Warning programme could provide a template.

Topic	Recommendation	Why do it? (rationale)	Comments
	Increase parental involvement especially where children are under-performing due to non-educational reasons. Establish parental support units (PSUs).	Education system cannot be wholly responsible for vulnerable children so there is a need to increase parental involvement and responsibilities.	Often parents who need to be closely involved are the hardest to reach. PSU's will require co-ordination with MHDST and network of volunteers. <i>In UK, serious consideration is being given to introduce parental 'contracts' to make them legally responsible for their children's behaviour. This is however considered too extreme a step in the Belize context.</i>
	Introduce alternative forms of schooling for secondary school drop outs and non-attendees needing to supplement household incomes and help keep them off the streets.	Many children do not attend sec. school so will not be reached by in-school programmes.	Use scholarships to reduce potential opposition. Include some conditions, e.g. attendance at classes, homework and community service (e.g. repairs / maintenance of public buildings). [Some courses are contributory but many of those who want to attend cannot pay]
Use education system to tackle health issues	Expand school feeding programmes	Poor nutrition and lack of food affects health of poor kids and educational achievement.	Involvement of schoolchildren and local communities should be maximised (cf. examples from Toledo) using local labour and produce with NGO management.
	Introduce nutrition/ food preparation classes. Develop manual of healthy eating using local produce.	Nutritional status needs improving to avoid 'lifestyle' diseases and improve educational performance.	Minimum contributions from students should be encouraged. MoH involvement needed for all these recommendations. <i>'Eating well can be cheap!'</i> MFB likely to reflect a quite different diet from that used by many households.
	Assess potential of CCT scheme for primary school attendees based on nutrition and school attendance.	CCT programmes have been successful in other countries for promoting health and increasing school attendance.	Will require significant funding. Targeting issues need resolution – all schools, schools in poor areas, poor students in all schools? Recent research questions need for conditionalities which significantly increase cost.

10.6 Recommendations: Social Services

10.6.1 General

At present, due to resource and funding constraints, social services in Belize are very limited. There is negligible direct social assistance, whether in the form of cash handouts or in kind (food, clothing) assistance. And where this is provided it is to the most needy and the near destitute of families and children. Social services have a negligible capacity to provide for other vulnerable groups, e.g. the elderly and the disabled. Conversely, these latter groups can benefit from Social Security pensions, the Non-Contributory Pension scheme and the activities of a number of other organisations such as NGOs and churches, details of which have been described in Chapter 6; the majority of the elderly and the disabled are also supported by their families, usually as part of the same household – the 'traditional' way by which these groups are cared for. As the needs of these two groups are very different, proposals for each are discussed separately in the following paragraphs.

10.6.2 Family, Gender and Youth²²²

Belize, like many other countries, is faced with major issues related to families, gender and youth: family breakdown, impoverished single parents, neglected and under-achieving children, early sexual experience, teenage pregnancy, family break-up, domestic violence, the physical and sexual abuse of children, drug use, and, often violent, crime. Most of these only affect a small minority of the population. Others, such as family break-up, are much more prevalent, and drastically increase the burden on women and leave them especially vulnerable to poverty, making it harder for them to bring up their children as they would want to, and as society expects. Together these issues impose substantial social and economic costs, in terms of law enforcement, degradation of quality for life, disincentives to investment and lost achievements.

The main organisation currently providing for these groups is MHDST although others such as the police and various NGOs and charities are also involved. Together these organisations provide a wide range of programmes, both preventive and remedial. However, as has been seen, direct assistance in the form of cash or in kind handouts is very limited.

Examples are provided in Box 10.1. Taken together, these programmes cover virtually every aspect of the problems associated with these groups; there are few, if any obvious gaps. However, while the range of these programmes is wide, and many are considered to be successful, their scope and coverage is severely constrained by lack of funding – the MHDST budget is 30 times lower than that of the Ministry of Education and represents barely 1% of government expenditure.

Box 10.1. Selected Existing Programmes Targeted at Youth and Family Issues

- Courses/ training in lifeskills, parenting, risky decision-making, employability, personal budgeting, empowerment.
- Youth training and job placement programmes.
- Support for young offenders and youth in trouble with the law.
- Community policing and outreach activities by the police.
- Social services and counselling.
- Residential care for victims of child abuse, domestic violence and children in trouble with the law.
- “Men Promoting Fatherhood” national movement
- Advocacy, lobbying and legal assistance.

NB. More detail is provided in Chapter 6.

Aside from under-funding, issues raised during the September Round Table included the following: duplication of programmes, programmes can be too wide-ranging, lack of inter-agency co-ordination and co-operation²²³, overlapping responsibilities, the need for programmes to be very carefully designed and targeted and which can then be resource intensive, lack of follow up monitoring. While these essentially institutional issues are not confined to this sector, they are arguably of greater significance given (i) the need to make the best use of resources, (ii) the number of programmes and agencies involved, and (iii) the need for multi-agency engagement. Accordingly, a substantial number of the recommendations

²²² Broadly defined as those aged 15 to 29 years, i.e. includes young adults.

²²³ There was both ignorance and confusion concerning two social development programmes being planned for Belize South Side – one by SIF and one by Min. of Works under the South side Poverty Alleviation Project.

contained in Table 10.11 relate to these issues. Recommendations already discussed under the education and health sectors have however been excluded, namely, life skill classes, support for school drop outs and unemployed youth, involvement of schools and clinics in identifying children and adults at risk from abuse and neglect.

There has also been considerable discussion over the issue of direct social assistance, of which there is very little at present. Should it cover the poor or just the very poor? Should it cover all or just some of their requirements? Should there be conditionalities attached? The underlying themes were the financial implications for already stretched government finances and the need to avoid creating a welfarist dependency culture amongst recipients. On balance, it was concluded that: (i) social assistance should be increased (as there is so little at present); (ii) it should be targeted at the neediest, i.e. the indigent; (iii) it should guard against welfarism by not providing for all their needs; (iv) wherever possible it should be accompanied by measures, e.g. counselling, training, and small conditionalities, designed to increase the self help capabilities of recipients.

Table 10.11: Recommendations: Social Services – Families, Women and Youth

Recommendation	Why do it? (rationale)	Comments/ Action
Recommendations with Greater Financial Implications		
Increase MHDST budget in order to increase social services in general (especially for families) and in rural areas in particular.	Current budget is grossly insufficient relative to demand for the services it provides. 'At risk' children and families are the most numerous group with the greatest needs. Provision of MHDST services in rural areas lags behind that in urban centres.	Remedial services also have a preventive aspect in that they are geared to reintegrate clients to normal society, otherwise more remedial action/ cost to society will be needed in the future. Will require discussions with MoF as well as detailed proposal.
Expand direct social assistance payments to neediest and at risk families	Will reduce pressure on family budgets and reduce impact of poverty on children and their need to supplement household incomes through risky behaviour.	Should be set at a level not above the indigence line. Could help reduce school non-attendance if conditions are based of school attendance and behaviour.
Revitalise organised sports and recreation activities, especially after school.	Improves health and provides alternative to 'hanging out'.	Min. of Youth Culture and Sports should devise pilot project. Financial implications if new facilities are needed but much less if emphasis is on using volunteers (e.g. younger retirees, national sports people).
Establish Victim Support Unit, including counselling and referral services for cases of abuse and domestic violence.	Current support for victims of serious crime is grossly inadequate as are facilities for dealing with those at risk from violence and neglect.	Project proposal needed – should be prepared by Police working with MHDST.
Recommendations - 'Institutional' (lower financial implications)		
Hold regular (2-3 annually) inter-agency meetings to discuss trends, successful/ less successful programmes, co-ordination issues etc.	Reduce overlapping, pool experience, identify most successful programmes, improve inter-agency co-ordination, facilitate joint preparation of funding proposals: <i>"Better to do a few activities well rather than many ineffectively."</i>	Separate meetings should be set up to cover differ areas of intervention, e.g. youth/ young adults, women and families, etc. Given the cross-cutting nature of many of these problems, this recommendation merits a very high priority.
Strengthen links with potential employers to provide more work experience opportunities for drop outs, school leavers, and unemployed youth	Everything possible should be done to get these groups into gainful employment.	Especially YFTF and other implementers of youth employment programmes PPAs reveal a high desire amongst the young to work. Feasibility of providing some remuneration to both beneficiaries and beneficiaries and employers.

Recommendation	Why do it? (rationale)	Comments/ Action
Review provision of basic social services.	At present, Women's Department and Child Rehabilitation Department both provide counselling and emergency aid yet this is not part of their formal responsibility.	MHDST responsibility.
Review and strengthen planned parenthood and family planning programmes and services.	Having children that can only be supported with difficulty and a high risk of family break-up is a major cause of social problems and poverty.	While there are 'rational' reasons why people have children in these circumstances, the implications of doing so, somehow has to be 'brought home'. School-based programmes will not access those not attending school. Imposing legal requirements on 'absent' fathers to provide support is not considered feasible in the Belize context. To our knowledge, most research to date has concentrated on women. Provision of contraception could be linked to HIV/AIDS programmes.
Review effectiveness of "Men Promoting Fatherhood" programme, adapt and replicate.	There is a high correlation between family size and poverty. Family break-up, usually results in the mother having to care for the children, often with negative consequences.	
Undertake research into 'absent' fathers to understand why fathers often 'abandon' their children providing little or any regular support.	A greater understanding of the attitudes and aspirations of absent fathers could lead to more effective interventions.	
Keep abreast of current 'good' practice in addressing social family social issues.	Family/ youth issues are being experienced in many developed countries. New initiatives are being developed all the time; much could be gained by being aware of these initiatives.	

10.6.3 *The Elderly and the Disabled*

Currently the elderly (60 years and over) make up 6-7 % of the population, around 21,000, and are likely to exceed 30,000 by 2020 – a 50% increase – as the population ages. Data on the disabled population is lacking. In 1991, around 2% of the population declared themselves as unable to work due to disability; in 2001, disabilities amounting to 10% of the population were registered but as this will include a number of persons with multiple ailments, the number of seriously disabled persons will be much lower.

Traditionally, the elderly and the disabled have been cared for in extended families. In Belize, as elsewhere, this system is breaking down and these groups increasingly have to rely on their own resources, pension systems and government or charity/ NGO provided social assistance. Around a third of the elderly are estimated to receive either Social Security or Non-Contributory Pension²²⁴ – the former is based on lifetime contributions while the latter is targeted at those with little other means of support. A National Action Plan for the elderly was adopted in 2003 and several of its recommendations have been implemented. Of particular note is recent adoption of an Act strengthening the legal protection of the elderly while an Act to increase the retirement age (currently optional at 60 years) is being drafted.

During the study, a number of discussions were held with NGOs working with the elderly, notably VOICE and HELPAGE as well as the National Council for Ageing; PPA focus groups were also held with elderly men and women. At these discussions, the primary areas of concern were: health care, the operation of the NCP, loneliness, and lack of retirement planning. Discussions also stressed the need to distinguish between the younger elderly (e.g. under 70 years) and those over 70 years (the old-old) for whom issues of care become much more critical. The recommendations arising from these discussions are presented in Table 10.12. The elderly have also been affected by the rising cost of living but this is an issue that affects all those on lower incomes to which there is no easy solution in a period of financial austerity.

²²⁴ Previously only available to women but now also available to men.

Table 10.12: Recommendations: Social Services – Older Persons and the Disabled

Topic	Recommendation	Why do it? (rationale)	Comments
HealthCare (MoH)	Provide specialist geriatric health care by trained nurses and doctors.	The health care needs of the elderly are very different from those of other groups yet there are currently no specialist geriatric doctors or nurses.	An initial step would be to research the availability of suitable short courses covering geriatric care.
	Improve system of home visits. Use these to advise the elderly on preventive health care.	Many elderly/ disabled find it difficult to visit health centres yet these are often those most in need of treatment. Prevention is always better than cure.	
Non-Contributory Pension (BSS)	Provide a reduced NCP for recipients' partners.	One NCP is inadequate for an elderly couple to live on	
	Review, publicise and adopt transparent eligibility criteria for NCP.	There is confusion about the eligibility criteria and their application. At present, only a minority of those receiving the NCP reside in poor households.	Concerns have been raised that (i) not all those eligible for the NCP have received it; and (ii) those who should not be eligible have been recipients due to political interference.
	Review financing of NCP.	NCP is currently financed directly by BSS yet it receives no additional funding for this purpose thus reducing its ability to provide its statutory services.	Will have substantial financial repercussions and may require SS contributions to rise.
Social Issues (MHDST/ NGOs)	Establish/ upgrade multi-function old people's centres in each district; meals, social activities, meeting places, advice on rights and services, and counselling.	Increase services for the elderly, particularly places to meet. Will provide centralised services for the elderly and the disabled.	Significant financial implications. Will require close consultation with NGOs in order to produce project proposal. Obtain contributions for meals where possible.
	Establish drop-in centres near to BSS offices (or banks) on pension collection days.	Loneliness, made worse by lack of meeting places, is one of the problems faced by the elderly.	Need to identify suitable premises. Incentive for local cafes/ restaurants if nearby.
	Develop programme for 'mobile' elderly to provide services in schools.	Providing useful services will improve the self-esteem of this group and help inculcate a sense of mutual respect with the young.	Services could be educational (reading, writing, oral history), clerical, or maintenance related. Needs involvement of MEduc NGOs.
Retirement planning	Provide retirement planning advice for over 45s/ over 50s.	There will be more elderly in the future; they will also be fitter and live longer. Some retirees are ill prepared for retirement either financially or mentally.	Introducing programme for younger adults likely to be ineffective. Primary objective is to encourage some financial planning in later working life. Action by NCA/ NGOs/ BSS.
The Disabled	Provide disabled access for government buildings often accessed by disabled, e.g. clinics, BSS offices, banks. Encourage govt. and business to employ disabled where feasible.	Disabled access is non-existent in most buildings. Some disabled will be able to work in some capacity; this should be encouraged.	Financial implications. Assess cost at key clinics / hospitals, offices. Survey of employment potential of disabled likely to be required.

10.7 Recommendations: Land, Housing and Infrastructure

Unlike many countries, Belize is not short of land, either for housing, commercial enterprises or cultivation. The latter is evident in the rural-rural migration from neighbouring countries and the absence of substantial urbanisation. Land delivery for development is one of the essential conditions for economic growth, increasing employment opportunities and improving living conditions. Imperfect delivery systems can be a disincentive to inward investment and restrict the supply of land for new housing, thereby ‘forcing’ low income households to live in overcrowded dwellings, often in unsafe and environmentally detrimental locations.

10.7.1 Land

There are two basic aspects to land delivery in Belize: land transactions between private owners and the allocation of national (state) owned land for development. Both fall within the remit of the Ministry of Environment, Land and Natural Resources.

The current system of land registration and transactions is unsatisfactory and, may have been exacerbated rather than eased by the Land Management Project. The Ministry is well aware of these issues, which are technically, procedurally and legally complex, and is working hard to resolve them. This study does not have the technical expertise to make recommendations on these issues. The recommendations contained in Table 10.13 therefore concentrate on the issues relating to the allocation of land (mostly state owned) for new development.

10.7.2 Housing

Adequate housing is one of life’s most fundamental needs. Evidence suggests that low income households will end up in slums unless some government assistance is provided. A national housing policy is under preparation. The recommendations contained in Table 10.14 are designed to inform this process; it is nevertheless hoped that some can be put into effect prior to the finalisation of this policy. They should also be seen as supplementing the recommendations contained in the preceding Table regarding increasing housing land supply.

10.7.3 Infrastructure

Major and minor (local) infrastructure are crucial to economic growth, providing basic needs (especially water supply, power and road access) thereby improving living conditions. Local infrastructure provision in rural villages has also improved substantially with the construction, mostly by SIF, so that around three quarters of villages now have piped water, electricity, paved or good dirt road access, primary schools and 40% have a health facility. The CPA has not had the resources to review major infrastructure provision although the highway to Placencia, one of the country’s main tourist destinations, is now being constructed.

Hence recommendations contained in Table 10.15 mostly concentrate on the provision of local infrastructure; the recommendations result from the results of the PPAs and numerous meetings held during the course of the study.

Table 10.13: Recommendations: Land

Topic	Recommendation	Why do it? (rationale)	Comments
Land Policy	Prepare national land use and distribution policy (including procedures and processes for allocating and titling). Increase the amount of publicly available information on land distribution and titling.	Areas for new cultivation, and village and urban expansion in suitable locations need to be identified. Land distribution is one of the most contentious issues as well as often being opaque and prone to corruption.	Piecemeal exploitation of unsuitable land will lead to unsustainable development. This is one of the most important recommendations of all.
Land for Cultivation*	Land allocation decisions should be responsibility of Village Councils working with Lands Department. Views of elected representatives should be taken into account but they should not have a discretionary power to make decisions.	Role of elected representatives in land allocation process should be reduced as it breeds favouritism, is divisive, open to corruption and reduces confidence in government.	Giving prominence to VCs is entirely consistent with policy to increase local governance. Current situation is major cause of discontent. BUT VCs should act based on transparent criteria.
	Proposed land allocations should be reviewed by Min. of Agriculture/ Lands Department prior to decision. Criteria should include suitability for proposed crops and assessment of technical/ financial ability of applicant.	Allocations should not be made where land is not considered suitable for cultivation. Previous farming experience of applicant should be taken into account to reduce chance of failure and 'reward' successful farmers.	Confirmation that area is not in a protected area is also required and that it is not claimed by another person. Capability of applicant should be the primary consideration wherever large allocations are proposed.
	'Contracts/ leases' should include conditions related to use of sustainable methods and adequate 'progress', i.e. land should revert to state if little development occurs within specified period.	'Slash and burn' cultivation and other non-sustainable methods need to be curtailed.	Lands Dept. already has such policies but these should be strengthened with increased sanctions for non-compliance.
Housing land in rural areas***	Demarcate village boundaries. Identify suitable land for housing in villages. Prepare sub-division plans.	Provision should be made for new housing in a planned way to facilitate infrastructure provision.	Village councils / Dept. of Lands. Variety of plot sizes should be provided.
	Develop needs based criteria for new housing plots based on existing housing conditions and ensure <u>transparent</u> application of these.	Housing land allocation should be based on needs assessment and not political favouritism.	Needs commitment by government to reduce role of elected representatives and political affiliations (see above).
Corozal Free Zone	The Government should broker discussions between the CFZ management and owners of adjacent land to enable it to expand.	The CFZ is one of the countries largest employers. It also needs to expand both its existing operations and to cater for potential demand from cross-border investors.	CFZ needs to prepare a well-argued proposal for its expansion. Negotiations should be entered into with owners to sell land (possibly with incentives such as shares in CFZ) but with threat of compulsory acquisition.

* These general policies, with appropriate variations should also apply to proposed business and housing development, especially on the Cayes.

** The National Consultation proposed that Land Committees be elected. Such a recommendation would risk further increased politicisation of the land allocation process and is not therefore recommended, or at least not without further study and consultations. A compromise approach could be to retain appointed committees but with appointments running from the mid-terms of the election cycle and not coinciding with the national elections as at present.

*** Should be incorporated into national housing policy which is under preparation.

Table 10.14: Recommendations: Housing

Topic	Recommendation	Why do it? (rationale)	Comments
Housing for low income groups	Housing schemes for low income households should be avoided. Instead emphasis should be given to providing plots (with minimal services but designed for upgrading), loans (varying in amounts and repayment terms) and grants (to the poorest households).	Low income housing schemes are generally costly, over-specified, unaffordable, and end up being 'acquired' by non-target beneficiaries.	The overall objective is to establish a flexible and varied range of potential assistance which can reflect the different needs and potential contributions of sub-groups of low income households.
The Venezuelan Housing Grant Scheme *	As a matter of urgency enter into discussions with GoV about extending the scheme.	It is understood that not all the allocated funds can be disbursed by the time the current agreement terminates.	The following recommendations should increase GoV's confidence that its 'gift' is being spent wisely.
	Criteria (e.g. current housing condition, household circumstances) for allocating grants under this scheme should be established, publicised and adhered to.	There is disquiet that beneficiaries of this scheme are not always poor and low income households.	This negates the objective of the scheme, reduces the likelihood of it being extended and further reduces confidence in GoB.
	Discussions with GoV should include the ability for some of the assistance to be provided for labour and not just materials.	Anecdotal evidence suggests that beneficiaries do not always have the skills or finance to undertake the construction using the materials provided.	SPAP is providing labour for building works as well as materials as targeted households were deemed too poor to make any contributions in cash or kind.
	Contributions from beneficiaries (in cash or labour) should be sought wherever possible. Only the most destitute should be entirely exempt.	Proposal will help to ensure recipient's 'buy-in' and reduce 'welfarism'. Also enables existing funds to access more people.	
	A follow up survey should be undertaken as soon as possible.	Apart from identifying possible shortcomings in the schemes administration, this will enable the scheme to be fine-tuned.	Survey should include household characteristics of beneficiaries, use of materials, improvements to house, contributions made by recipients.
Building codes	Revisions to current building codes have to be affordable, simple and flexible. Otherwise they will be ignored and they might as well not exist. Those currently applied for SPAP in Belize Southside could provide a good starting point.	Building codes which are inappropriate (not being based on traditional construction methods), unaffordable and requiring complex approval procedures arguably result in the illegitimation of much new housing and, by extension, the formation of slums.	It is understood that this process is underway and that consultations have been undertaken with local communities. This is commendable as it will improve the relevance of the eventual proposals.

* Recommendations only applicable if this scheme is extended beyond its current expiration date of July 31 2010.

*Government of Venezuela

Table 10.15: Recommendations: Infrastructure

Topic	Recommendation	Why do it? (rationale)	Comments
Major Projects	Undertake a feasibility study for the upgrading of the old Northern highway, from Sand Hill via Lucky Strike, Santana and Maskali to rejoin the Northern Highway at Carmelita.	This road is currently in poor condition making it difficult for the 12 communities located on this route to market their goods and reduces bus services.	Recommendation suggested by NAVCO representative. Anew road is unlikely to be feasible but an intensive maintenance programme might be viable. Will also improve access to Altun Ha Maya ruin.
Road maintenance	Seek funds from oil industry for maintenance of roads degraded by their heavy traffic.	Heavy trucks cause a disproportionate amount of damage to roads and the oil industry using a number of heavy vehicles.	Those causing exceptional damage to infrastructure should be responsible for reinstatement.
Local (Community Based) Infrastructure	Undertake a moratorium on new schemes and direct resources towards O & M. Incorporate O and M schemes and budgets in all schemes as part of project design and approval process with suitable provision for training.	It makes little sense to implement projects if they cannot be maintained. The PPAs made mention of new schemes that have become non-operational as a result of lack of O and M.	This is an unsustainable situation which only serves to further reduce the population's confidence in government. SIF is the major provider of rural infrastructure and thus has a pivotal role in ensuring the maintenance and hence sustainability of its schemes.
	Implement more stringent supervision and auditing of Water Boards. Develop a range of technical standards for schemes especially in poorer villages. Publish water board accounts, tariffs and non-collection rates.	Financial sustainability of water boards is crucial if they are to provide a reliable service.	Residents have to understand that water is not a free good and that without adequate tariffs and prompt payments, the sustainability of the systems are jeopardised.
	Restrict construction of new rural schools and health facilities. Concentrate new investment on extending existing facilities and improving the services they provide.	A significant number of new schools and health facilities have been built in recent years but there are difficulties in providing good quality services in some of these, a situation which will be exacerbated if more are built.	Improve provision of mobile services (health) and school transportation. See also recommendations under health and education.
	Increase participation in scheme design. Strengthen the basic BNTF requirement that communities should contribute in cash or kind to local infrastructure schemes.	Greater community involvement will hopefully increase the ability (and willingness) to maintain schemes once built.	The implications of this recommendation reflect the view that communities need to contribute to their own development.

10.8 Belize Southside

The recommendations contained in Table 10.16 are designed to address issues specific to Belize Southside and generally improve economic, environmental and social conditions in the area. These recommendations are specific to Southside; we have not repeated those for individual sectors made previously.

Even if all these recommendations are implemented and are successful, one particularly critical issue will remain, namely the lack of jobs. This is however an issue which is not confined to Southside and is largely outside the government's control. However unless the social issues which currently restrict the

employability of Southside residents are reduced, it is difficult to see how the area could benefit even if the availability of jobs suddenly increased across the country. And there is every incentive to reduce the high crime rate in the area which is ruining the lives of many residents and, if unchecked, will do so to the residents of the future.

Table 10.16. Recommendations: Southside

Topic	Recommendation	Rationale	Responsibility	Comment
Land, Housing and Infrastructure	Provide land titles to encourage households to invest (socially and financially) in Southside.	Lack of land title reduces willingness of residents to invest and increases their sense of insecurity.	MNLR	This essentially simply represents an extension of the Land Management Project. Will need cut-off date to prevent opportunistic land occupation.
	Assess availability of land for low / no income households to the west of Belize City.	Swamp land occupied due to the absence of any alternative location; hence provide land in alternative locations.	Min. Housing	Location/ proximity to employment will be a key issue as low income groups need to be close to employment areas.
	Develop amenities (parks, recreational/ community facilities) in Southside	Southside currently has few recreational and community facilities.	Min. Housing Municipality	Financial and land implications.
	Wherever possible, seek cash/ kind contributions from beneficiaries. Retain the system of using local contractors for this programme. Ensure capacity building through mandatory training of residents by contractors to enable locally- organised maintenance of new facilities.	Obtaining contributions will allow wider programme coverage. Improved maintenance will reduce risk of drains failing and flooding.	Min Public Works (SPAP)	It's imperative to have community buy-in of infrastructure provision to low income areas. Training of locals must be sustained by devising a neighbourhood or household management approach to services
Work with city council, large businesses and residents to collect/recycle/buy waste so that it can be used as land fill.	Infilling of house plots has a direct impact on living conditions and livelihood improvements.	Municipality	It is recognised that using land fill is sub-optimal but it appears to be the only viable short term option.	
Access to Credit	Improve access to credit for existing and potential new businesses by (i) encouraging greater outreach in Southside by organisations providing credit (Table 10.8); and (ii) encourage savings schemes using community funds.	Small enterprises are restricted by their access to capital and virtually no credit providing organisations operate in Southside.		Initial objective would be to target existing small businesses with longer outreach to poor and low income households. Training would likely be needed for borrowers.
Education / Training	Review operation and financing of existing skills training programmes and hence identify 'good' practice.	Lack of skills is a recipe for unemployment. Programmes exist but have low coverage.	MHDST Min Youth YFF CYPD	Programmes must target schoolchildren, non-attendees, drop outs and those who have left school.
	Encourage schools to outreach into their community through open days, arts performances and sports activities; publicise flexibility over fees for parents in financial difficulty. . Develop relationship between teachers and parents to encourage involvement in their child's education.	Raise profile of schools and importance of education as a means of avoiding risky behaviour. Reduce non-attendance by children from poor households unable to pay school fees.	MEduc	Particular focus should be given to sports activities and encouraging activities for girls Parental apathy with their children's attainment in school is high – difficult to organise PTA meetings.

Topic	Recommendation	Rationale	Responsibility	Comment
	Introduce education/ training programme for out of school children and unemployed young adults	This group includes many of those engaged in violent crime.	Min Educ MHDST, YFF, CYPD, Min Youth,	Financial inducements/ stipends would be needed. Programme would thus be a type of CCT.
Social Services / Law enforcement	Establish / expand after-school clubs/activities and day care/ drop in centres for all school age groups and mothers with pre-school children.	Provide alternatives to loitering, gang participation and crime. Mothers can feel 'trapped' due to the need to look after their children and insecurity on the streets.		Should also act as counselling, advice and referral centre. Should be partly run by the mothers themselves.
	Expand Yabra centre activities incorporate other agencies and social services with at least one permanently-based MHDST social working alongside the police. Provide counselling for victims of violence (domestic and other). Review financing of school feeding programme operated by Yabra Police station.	Yabra centre run by police already provides drop-in centre, access to books and computers, free lunches. Effectiveness could be enhanced through the presence of trained social/ youth workers. Guarantees one nutritious meal per day for children of low income families	Police, MHDST, NGOs, Churches, MoH	Police and MHDST should prepare project concept in consultation with local community and schools. Some space in the centre is currently unused. Will increase MHDST/ Police joint working. The scheme is successful, but future funding is uncertain.
	Create an amnesty on weapons and publicise through media.	Reduce knives and guns on the streets through voluntary means.	Police Media	Petty and violent crime is being committed with the use of guns and knives.
Institutions	Institute quarterly inter-agency forums to discuss emerging trends, concerns, co-ordination between programmes, successes and failures.	Circumstances change. Most programmes offer room for improvement. Duplication should be avoided and experience pooled.	All agencies working in Southside	Ensure co-ordination for proposed SIF and SPAP social development programmes in Southside.
	Review operation of Citizen Development Committees in Southside. Why have some become organised and others have failed?	Southside communities must contribute to resolving the problems as they cannot be solved by outside interventions alone.	Min. of local Govt. and Community Development.	Objective is to increase community participation and responsibility. Use interviews with former community leaders.

10.9 Recommendations: Toledo

The recommendations contained in Table 10.17 are designed to address issues which are most specific and relevant to Toledo. Nonetheless many of these recommendations have relevance to most rural areas in the country as do those relating to credit provision and income generation programmes. More generic issues, e.g. those relating to depoliticisation of development and land allocation programmes, have been covered in preceding recommendations.

Table 10.17. Recommendations: Toledo

Topic	Recommendation	Rationale	Comment
Regional and Economic Development	Prepare revised Toledo Development Strategy to provide overall framework to guide development projects and programmes. Factors to consider are: Adopting a more geographically-targeted development strategy. Clustering facilities in selected sub-centres and expand mobile/ visiting services. Concentrate most development initiatives in these areas. <i>[It is understood that this is already in train]</i>	<i>"The absence of consistent, long term development planninghas long been considered a fundamental impediment to growth and change"</i> (Toledo study) The dispersal of schools and health centres spreads resources too thinly. Many programmes are duplicative and too small to make a significant impact. The overall objective is to create a critical mass of integrated and linked interventions.	GoB support essential as well as commitment to adopt. Needs to be realistic in terms of funding requirements. Implementation of other recommendations should <u>not</u> await completion of the strategy. Substantial inter-agency co-operation and co-ordination (government and NGOs) will be needed. MEduc are already considering this.
	Upgrade road linking National Highway No. 5 to Guatemala's road network.	Will improve access to Guatemalan market / trade and tourism to/ from Toledo.	This will require a comprehensive impact assessment and may be controversial. It will also be expensive.
	Increase technical support for agriculture, especially in areas where land is (i) being newly cultivated and (ii) has become degraded due to erosion and poor drainage.	Agriculture will remain the mainstay of Toledo's economy for the foreseeable future. It is crucial that sustainable practices are adopted in areas cultivated for the first time.	Support services are quite widely available and are mostly considered effective. Investigate ways to make the age old <i>milpa</i> system more productive and sustainable.
Land	Carry out pilot studies in 2 communities to ascertain how land issues affect local development: tenure, usage, demand, boundary expansion, conflicts, etc.	While a lot is known about the land issues in general, there has been little detailed research at the local level that shows how the diverse issues actually 'play out' in the field.	One should be Kekchi Mayan and one Mopan Maya. Studies should be action oriented so as to increase land availability with a range of options being formulated.
Education / Training	Expand Tumul K'in Education Centre and replicate in other locations	This centre is operating successfully and providing appropriate training and education. Attendance is increasing.	Operation of centre would need to be reviewed before expansion and replication. Part funding from MoEd?
	Introduce secondary classes in selected primary schools	Secondary school enrolment is very low but providing new schools would be expensive.	
Programme and Project Design	Improve programme design, planning and implementation: - Clearly define programme objectives and priorities. - Consider intermediate technical solutions to improve sustainability. - Ensure that programmes explicitly account for Toledo's social and cultural context. - Better assess local priorities and increase local participation in project design. - Avoid over-ambitious target setting and too short implementation schedules. - Seek to increase flexibility of funders' in terms of their project criteria. - Undertake regular reviews of	Social context is complex and many programmes require major shift in beneficiaries' attitudes and abilities. Programmes need to respond to beneficiaries' (communities and households) priorities and not those of donors. Premature project 'roll-out' should be avoided as it increases chances of failure due to low absorptive capacity of beneficiaries. Regular reviews can be used to refine programmes as they are being implemented. Effective feedback mechanisms will improve staff morale. Designs should not be	E.g. crop storage and drying rather than sanitation? Likely to increase resources needed during project design and start-up phases BUT several of these practices already adopted by BRDP. Will require negotiations with funders. Mechanisms needed to prevent misguided decisions, e.g. building flush toilets or latrines on swampy ground.

Topic	Recommendation	Rationale	Comment
	effectiveness of programmes in improving livelihoods; ensure that feedback from field workers is heeded by project management.	implemented if there are important cost or O and M issues.	
	Expand SIF's involvement in funding non-infrastructure programmes but channel finance through NGOs and other government departments, i.e. who have the greatest experience of delivering these types of programmes.	Non-infrastructure programmes (training, income generation, health education, empowerment and community development) are key to the region's development but should be implemented by those most experienced in each type of programme.	Many NGOs operate successful programmes but have restricted finances. SIF funds would help remedy this. Similarly for MoE, MoH and MHDST for education, health and social awareness programmes. Assess need for training programmes in non-infrastructure projects for SIF staff.
Institutions and Governance	Identify and provide mandate and funding for lead development agency for Toledo.	There has been no effective co-ordination of development or strategy for Toledo for some years.	<u>Options include revitalising TDC possibly under umbrella of Min Rural Devt. But given its importance could also be MED.</u>
	Institute quarterly or biannual inter-agency forums to discuss emerging trends, concerns, co-ordination between programmes, successes and failures, etc, so that experiences from most successful programmes can be replicated.	Circumstances change and most programmes offer room for improvement. Duplication needs to be avoided. At present, there is insufficient co-ordination between NGOs who implement virtually all non-infrastructure programmes apart health and education.	<u>Arguably the most important recommendation of all yet has negligible financial implications!</u> Could be organised by TDC or DDC but ad hoc arrangements may be more appropriate (and acceptable) in short-term. Key discussion point: how to account for socio-cultural context.
	Promote successful initiatives to less organised and less vocal communities through exchange visits.	Villages should not be excluded from projects indefinitely due to absence of effective organisers.	

These recommendations are based on two overall premises: firstly, that current programmes are generally beginning to succeed through having heeded the lessons of previous interventions; and secondly, that continued interventions are necessary if Toledo is to shed its image as the most backward and poorest region of the country. Factors such as continued improvements in education and female empowerment will contribute to this trend. Nevertheless, it would be over-optimistic to believe that this process will be either rapid or free of conflict and controversy. And while few of the above recommendations will require major grant funding, the costs in terms of personnel and logistics will be substantial. Yet is there any alternative, other than to drastically reduce interventions and leave Toledan communities to their own devices?

10.10 *Some Indicative Costings*

Many of the recommendations will involve relatively little additional finance; certainly few involve significant capital expenditure. Many will however involve additional staff, O & M and administrative costs. While it is not feasible to assess the costs for each recommendation, Table 10.18 provides indicative cost estimates for the achievement of selected key poverty reduction and development objectives. In total these would be equivalent to 33-55% of 2008 government recurrent expenditure excluding debt service payments. These exclude any costs for expanding local infrastructure provision.

The magnitude of these costs allied to the weak state of government finances implies that achieving the above objectives, which would not cover all the key issues raised in this study, will not be achievable in

the short or medium terms. Most have not therefore been included as priority recommendations in the preceding tables; this does not mean that a start should not be made. Emphasis should however be given, at least initially, to the improving the effectiveness of existing programmes and achieving a more efficient delivery of these.

Table 10.18. Order of Magnitude Estimates for Achieving Selected Poverty Reduction/ Social Development Objectives

Sector	Objective	Estimate (BZ\$ million)	Assumption/ Comment
Education	Double secondary school enrolment	36	Twice current secondary school budget as the eligible population currently attends.
	O and M	20	10% of budget
Health	Nationwide NHI coverage	30	Based on Sanigest data
	O and M	10	10% of budget
Social Services	Quadruple MHDST budget	20	Additional expenditure = 3 times current budget of BZ\$6.6 million.
Older persons	Provide NCP to all indigent older persons	3.0	Calculated using LSMS data and assuming NCP is BZ\$1,200 per month.
	NCP for all poor older persons	(5.0)	
Poverty elimination	Eliminate Indigence	20	Cost of eliminating current indigent and overall poverty gaps using LSMS data so that every family will have an income not lower than the indigence or general poverty lines.
	Eliminate poverty	(100)	
Total <u>annual</u> requirement		c. 139 (244)	

* Additional cost.

Source: Study Team Estimates.

10.11 Monitoring and Evaluation (M & E) and Targets

10.11.1 Monitoring and Evaluation

The lack of adequate monitoring and evaluation was a recurrent comment encountered during the Institutional Analysis interviews. As a result, programme implementers and government policy makers are unable to assess the success or failure of their interventions. The NPESAP 2009-2013 includes a detailed M & E plan, as did its predecessor, based on the two level indicator methodology recommended by the World Bank in its PRSP sourcebook. The first level, output indicators essentially measure the direct results of an intervention, e.g. the number of persons receiving social security payments, while the second level, outcome indicators measure the overall results of the intervention against wider objectives, e.g. the reduction in poverty, increased well-being, change in infant mortality, decrease in unemployment. The main distinction is that outcome indicators are largely outside the control of programme implementers whereas output indicators are a direct result of their activities²²⁵. Another difference is that outcome indicators are usually a product of numerous factors from which it is often very difficult to identify the effect of any particular intervention. As a case in point, the impact of NPESAP 2007-2011

²²⁵ The distinction is not always this clear. In some cases, the outcome and output indicators can be the same, e.g. with budgetary policy to reduce the debt repayment ratio. In others, the outcome indicator may not be at the strategic level: for ITVET enrolment, the output indicator would be the enrolment or graduation rate but the outcome indicator would be the employment rate of graduates.

on poverty levels in Belize can never be isolated from other causal factors. It may thus be that without NPESAP activities, poverty would have increased by an even greater extent than it did. Furthermore, in general, output indicators are easier to obtain and can thus be monitored more frequently than outcome indicators which may require more resource hungry surveys. Yet in the last analysis, in many cases, it is the outcomes which are the most important and especially so in the case of programmes, e.g. training and empowerment, where the overall objective is not part of the actual programme (as it is for education, health and income generation programmes).

Just as this CPA is based around quantitative and qualitative data, monitoring indicators can be obtained from statistical surveys and less structured interviews and discussions with programme beneficiaries, implementers and other key informants. As with the CPA, the former will provide more statistically reliable information but qualitative surveys will provide information on how interventions were perceived and what outcomes or secondary impacts programmes resulted. As an indication of the types of indicators and data collection methodologies that are relatively cost effective, the following examples are given:

Small scale follow up surveys: useful for training, job placement and empowerment initiatives, the objective being to assess 'satisfaction' with programme (on course completion) and ascertain its impact within a few months of its completion; would involve short questionnaires and semi-structured interviews. Requirements: contact names/ addresses of participants and time allocation from implementing organisation. For job placement programmes, interviews could be undertaken with employers. Where programmes have much larger coverage (e.g. NHI, NCP, education start-ups), larger sample surveys will be needed.

Large scale surveys: these will rarely be feasible on a regular basis but the inclusion of simple additional modules into SIB's periodic sample surveys (e.g. similar to the questions on food security and coverage of government programmes included in the LSMS) can provide good quantitative information which can be disaggregated by geographic or socio-economic characteristics.

Annual surveys of village leaders: short questionnaire surveys administered by RCDOs similar to the Village Survey used in this study and concentrating on events in previous year: changes in local economy and social patterns, reasons for these, impact of government and NGO programmes). These are a cost-effective way of monitoring overall social development trends in rural areas.

Key informant surveys: semi-structured interviews undertaken by ministry staff but concentrating on single sectors, e.g. non-agricultural sectors (BCCI, trade organisations), agriculture (growers and farmers associations)²²⁶, education (sample of head teachers), health facilities. All would be used to assess trends in last year in terms of the impact of government interventions and the impact of changes in the economic environment. Note that these surveys will be equally valuable for identifying technical and performance issues that can be addressed by central management.

The usefulness of both latter approaches will be increased substantially if they are repeated annually so that trends can be identified. They are premised on the fact that, in most cases, front line staff will be

²²⁶ The British and other governments use these types of surveys as one of their key indicators of business confidence and emerging economic and employment trends.

able to make a good judgement on the effectiveness of their programmes as well as discerning emerging trends in the services they provide²²⁷.

The recommendations for M & E are presented in Table 10.19.

Table 10.19. Recommendations: Monitoring and Evaluation

Recommendation	Rationale
Design M & E plans so that indicators are few, simple and easily obtainable.	Unless this is done, the M & E plan will most likely fail which, in turn could jeopardise the success of the overall strategy and prevent problems with individual interventions. Always remember that M & E is less important than good project implementation.
Ensure that M & E proposals are consistent with financial and technical resources available to programme implementers and co-ordinating agency.	
Ensure that all programme implementers have a monitoring plan in place that is feasible and effective.	The majority of the monitoring will be the responsibility of the programme implementers.
Ensure that implementers maintain a good database of project beneficiaries.	Essential for monitoring progress and provide sampling basis for future monitoring surveys.
Undertake second round of BRDP monitoring using already established baseline.	BRDP is one of the largest current programmes and its effectiveness needs to be monitored, especially after the failure of its predecessors.
Simple satisfaction and follow up surveys for small scale programmes should be carried out as a matter of course.	Aside from overall M & E, these surveys can be used to refine programme design.
Seek to include modules on major programmes into SIB's periodic sample surveys.	These provide good, robust information but project funds are rarely available to undertake these surveys.
Pilot the use of annual surveys of village leaders and other key informants (e.g. employers) to assess changing social and economic trends, coverage and effectiveness of government programmes.	These can provide a relatively low cost approach for assessing programme effectiveness and providing monitoring data.

These recommendations are based around the starting premise that, wherever possible, M & E schemes should be designed to be as simple as possible:

- Monitoring indicators should always be selected on the basis that they are easily obtainable. Their number should also be minimised. More particularly, indicators need to be selected in conjunction with their source, e.g. programme implementers, SIB or other ministry; there is little point in selecting an indicator which cannot easily be provided. If these features are not present, there is a danger that the whole M & E system will collapse and one will be left with nothing.
- For the same reason, the timing of monitoring activities should reflect the reporting of annual reports from programme implementers and the availability of statistics from major surveys.

In all cases, however, the fundamental requirement is that programme implementers keep good records of beneficiaries and their basic characteristics, e.g. age, sex, occupation, education level, income/ assets, and carry out simple follow up surveys. This is absolutely crucial where programmes are targeted at the

²²⁷ The British Government uses these types of surveys to monitor business confidence, investment and employment trends.

poor. Ideally, baseline data should be established, as was the case with BRDP, which can then be used to measure changes during the life of the project.

10.11.2 Target Setting

Target setting is now common practice in development policy. As with M & E, targets can be set for both outputs and outcomes. The former are usually relatively straightforward as they relate directly to an individual programme. They are also easily measurable through M & E schemes. Setting targets for outcomes is more problematic as there needs to be a clearly defined transmission channel as to how they will be achieved; if there is not, there is little basis as to how they can be set with any confidence.

With some interventions this may not be too difficult, e.g. raising school enrolment is likely to be closely related to the construction of new schools or classrooms, other targeted interventions and an analysis of recent trends. The same goes for many health indicators. However, where transmission channels are more complex or harder to identify, setting realistic targets becomes harder. Yet if targets are not realistic, and if they are then not achieved, this is likely to be seen as a failure - even if there was little evidence to believe that they were achievable in the first place.

In the context of this study, the most problematic of all is setting a target for poverty reduction. Not only are the transmission channels for poverty reduction complex but most are outside the direct control of government. The task would be easier if large scale social protection programmes or transfers through the taxation were adopted as a major plank of poverty reduction policy as the anticipated impact of these could be modelled during the design stage; but such a strategy is infeasible in the Belizean context. Given that poverty increased in recent years, there is also no trend data that could be used. In these circumstances, we consider that there is little value in trying to set a target for short or medium term poverty reduction for Belize. If this is seen as a weakness, it is worth pointing out that GDP growth is, as has been stressed throughout this report, one of the key, if not the key determinant of poverty reduction²²⁸. Yet governments rarely set targets for GDP growth. Why? Because it is too complex as there are too many exogenous factors. Instead they rely on short term projections. If target setting for GDP is not feasible, how can achievable targets for poverty reduction be established.

10.12 The Priorities

All the recommendations presented in the previous section are considered to be important; it is nevertheless recognised that they cannot be implemented 'in one go'. Accordingly, the following Tables present the study's priority recommendations. These are those that are considered to be both the most urgently needed and those that are likely to bring substantial short-term benefits. Table 10.20 contains the generic institutional priorities; none of these are likely to have significant financial implications and could thus be introduced irrespective of the budgetary situation.

²²⁸ We are not saying that GDP growth is a sufficient condition for poverty reduction but virtually all the evidence is that it is a necessary one.

Table 10.20. The Institutional Priorities

No.	The Institutional Priorities
1	Publicise the message that the government has only a limited ability to directly affect the economic situation, create jobs and finance infrastructure and social sector programmes.
2	Issue a clear statement with bi-partisan support and from the highest level of government, with bi-partisan support, that party political considerations must not form part of deliberations concerning the allocation of development and poverty reduction resources.
3	Develop targeting and eligibility criteria for all discretionary programmes, and publicise them. Emphasise that political considerations are not part of the decision making process.
4	Issue a clear directive that departments should work together in the design and implementation of programmes dealing with cross-cutting issues.
5	Institute regular forums between organisations (government and NGOs) working in the same field so as to identify strengths and weaknesses of current initiatives, identify good practice, discuss potential solutions and prepare joint funding proposals.
6	Improve the management of staff (especially those directly providing services and working in rural areas) to address their concerns, monitor their work, ensure staff discipline and provide technical feedback to policy makers. Without this action, programmes and services will not be as effective as they could be.
7	Address operational inefficiencies through greater budget flexibility, improved supply chain management, streamlined appointment procedures and increased budgets for O and M*.
8	Donors and lenders should consider giving greater priority to programme, as opposed to project aid, in order to ensure that their investment is more sustainable and reflects the increased need to 'soft' as opposed to 'hard' programmes.

* Has financial implications but considered of utmost priority.

Table 10.21 presents sector-/issue-specific priorities. These priorities have been selected on the basis that they address some of the most critical issues identified by the CPA. The majority have relatively low financial implications in that they require revisions to existing practices and improved service delivery rather than additional construction or major increases in staffing. Some, however, will require significant additional expertise and/ or funding and would thus be more likely to attract interest from Belize's international partners. These priorities should not, however, be seen as detracting from the importance of implementing the generic institutional recommendations or smaller, less financially onerous recommendations presented in the preceding tables nor the need to maintain existing education, health and social service programmes.

Table 10.20. Sectoral-/ Issue-Specific Priorities

Sector	Project	Main Target Group(s)	Summary Components	Rationale/ Comments	Financial Implications
Economic Sectors	Government revenues and taxation	The poor, farmers and SMEs	Review taxation system to assess feasibility of reducing costs of basic foodstuffs and agricultural inputs. Assess feasibility of enhancing other sources of government revenues, e.g. land and property taxes which currently only provide around 1% of government revenues, and which could enable a reduction in the tax burden on the poor.	High prices were frequently mentioned as problems an important problem faced by the poor. Likewise, the high cost of inputs makes it harder for farmers. There may be potential for some adjustments in the taxation system to alleviate these problems. Could be accomplished through short term consultancy. <i>NB. This exercise is seen as being revenue neutral; the objective is not to increase the overall tax burden.</i>	Low
	Land for cultivation	Farmers	Undertake land suitability study to identify potentially cultivable areas as basis for national land use policy.	Should focus on areas which are being newly used for cultivation.	Low
	Agricultural Support	Farmers	<u>Farmers Field Schools</u> : monthly meeting in each village of local farmers to discuss problems, opportunities. <u>Key Farmer Program</u> : Identify key experienced farmers in each area who are willing to assist others with problems and opportunities; lead by example. <u>Extension services</u> : undertake a review of their effectiveness. <u>Establish guidelines</u> for good water storage and drainage practices. <u>Needs assessment</u> for post-harvest crop storage facilities.	It is crucial that good practice is identified and disseminated. This can be done much more easily in groups, and those most likely to provide it are the more experienced farmers. FAO and Humana models exist and have been successfully applied elsewhere. Provides process for continuous exchange of views between farmers and support providers (Govt. / NGOs). Support needs to be provided to new and less experienced farmers to ensure that good practices for sustainable cultivation are applied. Extension and other assistance has to reflect the needs, current practice, and technical/ financial capacity of potential beneficiaries to innovate.	Medium/ High
	Access to credit	Existing and potential SMEs	Develop varied and innovative approaches to credit for households, existing businesses and start-ups. Enhance access to credit to urban as well as rural SMEs.	Credit is essential for existing and new businesses (incl. household based). Different institutions are more experienced in catering to different types of credit demand Financial sustainability is essential in all cases.	Low/ medium
	Agri-tourism links	Farmers/ hotel operators	Develop links with hotel operators so that they can be supplied with local produce.	Would be implemented by private sector with government brokering links between farmers and hotel operators.	Low
	Corozal Free Zone (CFZ)		Institute negotiations with land owners to provide land for expansion of Corozal Free Zone	CFZ should be able to expand if demand is there.	Low
Health	Health in rural areas	Rural population	Extend and expand mobile and outreach clinics in rural areas.	Access to rural health care is problematic and staffing new health centres and health posts risks diluting the quality of the service. Better is to improve access through an enhanced system of mobile clinics.	Medium

Sector	Project	Main Target Group(s)	Summary Components	Rationale/ Comments	Financial Implications
	Nutrition	Women and children.	Options for supplementing nutritional value of traditional diets. Meal preparation and eating based on MFB. School feeding programs.	MFB provides basis for adopting cheapest nutritionally effective diet. Improved diets and nutrition at a cheaper cost. (Some traditional diets are probably lacking some basic nutrition components) Should be linked to nutrition education in schools. School feeding should also increase school attendance.	Low
	Safe sex and family planning	Women and youth	Review and strengthen planned parenthood and family planning campaigns, programmes and services with increased targeting to men.	Addresses several key issues: unplanned pregnancies, spread of STDs and HIV/AIDS, sustainable families. Needs involvement of NGOs, e.g. BFLA, NCAA.	Low
	Road safety	Drivers and pedestrians.	Education programmes for drivers and school children. Identification of blackspots and accident causes. Awareness campaigns related to seat belts, speed and drowsiness. Sleeping policemen in residential streets. Road signage and layout (white-lining).	Traffic accidents are one of the leading causes of death. These can induce major household economic and social upheavals. Required measures are relatively cheap. Major WHO priority. Needs involvement of police with increased enforcement of traffic regulations. Other potential measures are the introduction of breathalyzers and speed guns.	Low
Education/ Social	Education services	Children	Strengthened basic reading/ writing/ speaking skills programmes in early primary school. Life skills classes: personal care and responsibility, sex / parenting education, budgeting, decision-making. Establish pilot parental support units. <u>Targeted</u> vocational classes: child care, building trades, agriculture, hospitality sector, etc. Assess feasibility of adapting school times to enable children to assist their parents at home and in the field.	Improve academic performance and future employability. Reduce likelihood of future antisocial and risky behaviour (teenage pregnancy and unsafe sex, dropping out, criminality, drug abuse, etc). Private sector has shown interest in providing financial courses on a pilot basis.	Medium
	Apprenticeship programme	Non-school attendees (15+) and young adults	Provision of cash stipends. Vocational and life skills training, basic academic classes. Work experience with firms/ self employed and mentors (e.g. building trades, child care, community enhancement).	Reduce likelihood of future risky/ antisocial behaviour. Improve future employment prospects. Better maintained streets, infrastructure, government buildings and houses; poor O & M is a perennial problem which needs to be addressed if infrastructure projects are to be sustainable. Assistance to poor elderly and mothers (house repairs, child care, home visits).	Medium

Sector	Project	Main Target Group(s)	Summary Components	Rationale/ Comments	Financial Implications
	Rural secondary school education	Rural secondary school non-attendeess	Introduce secondary classes in rural primary schools and combine small primary schools.	Rural secondary school attendance is much lower than in urban areas. School extensions could be funded via SIF. The existence of multiple small primary schools in rural communities is inherently inefficient.	Medium
Social Services/ Multi-sectoral/ Belize Southside	Yabra Community Centre	Families and children at risk in Belize Southside	One stop centre for policing, social services and support (parenting and sex education), community development, non-school based education, basic income generating and job application skills, day care (elderly and pre-school) and victim support. Liaison and procedures for identifying children and women at risk from abuse and neglect: nurses, doctors, teachers, social workers (pilot study).	Establish integrated/ multi-agency/ one-stop centre for social issues. Yabra centre is already established in one of the most deprived urban areas in the country. Could act as focus for apprenticeship and school feeding/ nutrition programmes. Will require considerable inter-agency co-ordination including discussion with potential donors to ensure sustainability of programmes. Recommendations are seen as pilot projects which could then be replicated elsewhere.	Medium/ high
Older persons/ Disabled	Health care	Elderly	Improve health care for the elderly/ disabled by (i) training nurses and doctors in geriatrics, and (ii) extending the system of home visits.	Health care needs of elderly are higher than for most other groups and they often have trouble accessing facilities due to mobility problems.	Medium
	NCP	Poor elderly	Review financing and eligibility criteria for NCP. Secure bi-partisan agreement on depoliticisation of implementation of this programme.	Only a minority of the very poor older persons currently receive the NCP.	Medium
Land	Land allocation	Rural population	Establish transparent criteria for land allocations. Elected representatives should be able to make representations but the final decision lies with village councils and the Dept. of Lands. Formalise village boundaries.	Belize has available land, much of it in state ownership which provides considerable potential for Belizeans to access land for new cultivation and housing. Current allocation mechanisms are contentious and susceptible to political interference.	Low
	Belize City Land availability	Low income residents of Belize City	Undertake land availability study for Belize City. Develop innovative ways of providing plots for low income groups.	Expansion of slum areas in Southside reflects lack of land n more suitable areas. Study would address this issue.	Medium/ high
Housing	Venezuelan Housing Grant	Indigent and poor households in sub-standard housing	Enter discussions with Govt. of Venezuela to extend this programme. Establish and publicise eligibility criteria, application procedure and assessment criteria. Secure bi-partisan agreement on depoliticisation of implementation of this programme.	This programme provides a valuable source of funds to assist the poor living in sub-standard accommodation. To date, implementation has been affected by political interference. Recommendations reflect both these considerations.	Low

Sector	Project	Main Target Group(s)	Summary Components	Rationale/ Comments	Financial Implications
Infra-structure	Infrastructure for remote rural communities	Communities currently without basic infrastructure	Identification of villages currently without improved water supply, electricity or primary schools. Assessment and selection of options for providing required infrastructure. Prioritisation and feasibility studies.	A minority of villages still do not have improved water suppliers, electricity, decent road access and primary schools. These are often remote and small making provision difficult. Needs involvement of SIF and MRDLG. Ensure participation of communities throughout project cycle with contributions in cash or kind from beneficiaries.	Medium
Toledo *	Development Strategy	Population of Toledo	Review of Toledo Strategy and Action Plan leading to formulation of new development strategy, possibly based on greater concentration/ clustering of activities. Identification of priority interventions. Establishment of regular inter-agency round tables.	Toledo is still the poorest district in the country. Development in Toledo currently occurs on a piecemeal basis without the benefit of an overall strategy; TDC has no formalised mandate. Little interaction between NGOs and pooling of experience.	Low
	Education	Young Toledans	Review operation of Tumul K'in education centre with a view to expansion/ replication.	There appears to be a clear need for alternative approaches to education in rural areas and Tumul K'in appears to provide one such alternative. Reduce child labour and non-/poor-attendance especially in citrus belt.	Medium

* Many of the other recommendations will be directly applicable to Toledo.

10.13 Concluding Remarks

The CPA has involved a considerable amount of research, almost all of which has reaffirmed the conclusions arising from the previous CPA and subsequent consultations. It is thus not surprising that many of the recommendations are closely aligned to those already contained in NPESAP. Furthermore, to our knowledge, few countries have adopted very different strategies from Belize's NPESAP or the types of recommendations contained in this report. Nor, in the absence of major economic growth sectors, have many countries achieved great success in achieving significant reductions in poverty. Virtually all are having to balance the needs of the economy (over which they exert little control but which has the greatest impact on poverty reduction) against social spending which will reduce poverty in the future but, unless large scale social welfare programmes are fiscally sustainable, has little impact in the short-term. There is also little evidence that major reductions can be achieved by targeting employment generation programmes based on micro-credit, directly to the poor; hence our recommendations that (i) greater emphasis is given to identifying and targeting existing enterprises wishing to expand; and (ii) there should be much greater co-ordination with the private sector.

We also believe that there is a requirement to tackle political interference and a host of social issues (unplanned pregnancies, family and youth problems) with greater diligence than has been the case. Unless this is done the potential for growing social discontent, more dysfunctional families and disaffected youth can only lead to an ever more serious cycle of poverty and social exclusion. For the same reason, spending on education has to be maintained if the Belizeans of the future are to stand the chance of gainful employment when employment demand increases. Such policies will also increase well-being and reducing the sense of social and personal insecurity that currently affects many in the country today. Much can also be achieved by concentrating on improving the implementation and delivery of services and programmes.

Acceptance of at least some of the recommendations and priorities contained in this report will improve the likelihood that poverty in Belize, in its widest sense, being reduced in the short- and medium terms. But there remains considerable uncertainty, as is the case in many countries, developed and developing, concerning future economic prospects. It is both salutary and regrettable that there is little in the way of alternative models for Belize to follow.

What is however certain is that there is a need for a new realism:

- Government has to depoliticise the implementation of its services and development programmes.
- Elected representatives have to refrain from interfering in the selection of beneficiaries for targeted/ discretionary programmes.
- Government must improve its institutional capabilities, its human resource management, and the maintenance of its social and physical infrastructure.
- Government departments should give greater emphasis to improving existing programmes rather than developing new ones.
- Government employees, as many do, must welcome and respect the fact that they are public servants.
- The public has to realise that government, irrespective of its political persuasion, cannot provide all their needs. They must reject the tendency towards dependency and welfarism that is becoming all too prevalent. Instead they should look more towards themselves, their neighbours

and their communities to identify ways in which they can contribute to the successful implementation of government and NGO programmes. Politicians should contribute to this by refraining from making promises that are over-ambitious and thus raise the population's expectations to an unrealistic level.

If these conclusions are accepted, the likelihood of Belize emerging from this troubled period and emerging a stronger, richer and more inclusive society will be greatly enhanced.

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