

PMR Public Report

Operation Number	BL-L1039	Chief of Operations Validation Date	04/11/23						
Year- PMR Cycle	Second period Jan-Dec 2022	Division Chief Validation Date	04/13/23						
Last Update	04/10/23	Country Representative Validation Date	05/11/23						
PMR Validation Stage	Validated by Representative								
Basic Data									
Operation Profile									
Operation Name	Digital Innovation to Boost Economic Development in Belize	Loan Number	5647/OC-BL						
Executing Agency	MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, AND INVESTMENT	Sector/Subsector	PRIVATE FIRMS AND SME DEVELOPMENT-BUSINESS CLIMATE AND COMPETITIVENESS						
Team Leader	GRANT, KAYLA SHAREE	Overall Stage	Approved/Pending Signature						
Operation Type	Loan Operation	Country	Belize						
Lending Instrument	Investment Loan	Convergence related Operation(s)							
Borrower	BELIZE								
Environmental and Social Safeguards									
Impacts Category	C	Was/Were the objective(s) of this operation reformulated?	NO						
Safeguard Performance Rating		Date of approval							
Safeguard Performance Rating - Rationale									
Financial Data									
	Total Cost and Source					Available Funds (US\$)			
Operations	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disbursed	Undisbursed Amount
BL-L1039	10,000,000	10,000,000	0	0	10,000,000	10,000,000	-	0.00%	10,000,000
Aggregated	10,000,000	10,000,000	0	0	10,000,000	10,000,000	-	0.00%	10,000,000
Expense Categories by Loan Contract (cumulative values)									

Please note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

RESULTS MATRIX

General Development Objectives

General Development Objectives Nbr. 1: Promote growth and increase efficiency in Belize's economy

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2028	
1.0	Labor productivity of firm beneficiaries of grants	Index	100	2022	2027	P	105
						A	-

Details

Means of Verification: • Registry of beneficiaries reported by BELTRAIDE • Baseline surveys to beneficiaries • Endline surveys to beneficiaries.

Observations: Source for baseline is 2016 Enterprise Survey. The target of 5% increase comes from Ca’Zorzi 2011, Singapore Tourism Board 2015 Haskel and Westlake 2017, Mckenzie 2021. The underlaying productivity per worker is US\$15.90 while average sales are US\$20,025. Both values estimated using the Enterprise Survey 2016. The target of 5 points increase is expected for the fifth year. Final numbers for baseline will come from baseline survey to beneficiaries.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator				Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2028	
1.1	Average sales of MSME beneficiaries of grants (after 2 years treatment)			Index	100	2022	2027	P	105
								A	-
Details									

Means of Verification: • Registry of beneficiaries reported by BELTRAIDE • Baseline surveys to beneficiaries • Endline surveys to beneficiaries.

Observations: Source for baseline is 2016 Enterprise Survey. The target of 5% increase comes from Ca’Zorzi 2011, Singapore Tourism Board 2015 Haskel and Westlake 2017, Mckenzie 2021. The underlaying productivity per worker is US\$15.90 while average sales are US\$20,025. Both values estimated using the Enterprise Survey 2016. The target of 5 points increase is expected for the fifth year. Final numbers for baseline will come from baseline survey to beneficiaries.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator				Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2028	
1.2	Digital adoption index			Index	0.4	2016	2027	P	.5
								A	-
Details									

Means of Verification: Report from E Governance and digitalization unit with results from the survey

Observations: Source for the baseline and target is the World Bank’s DAI. Countries such as Jamaica, Suriname and Guatemala have a score of 0.5.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator				Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2028	
1.3	Business enabling environment indicator			score	55.5	2020	2027	P	56
								A	-
Details									

Means of Verification: Report from BELTRAIDE with results from the survey

Observations: Source for the baseline is the World Bank’s Business Enabling Environment (BEE) survey (previously the Doing Business Survey) which will be updated in 2023. Belize has been included in every year of the previous survey issued by the World Bank. It is expected the new survey will be comparable to see an improvement in Belize’s score by 0.5.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator					
Indicator					Unit of Measure	Baseline	Baseline Year	Expected Year of Achievement	EOP 2028
1.4	Number of visits (interactions) to VSU offices to complete a transaction			Visits	2	2022	2027	P	1.6
								A	-
Details									

Means of Verification: Report from Vital Statistic Unit (VSU) validated by MFEDI

Observations: Baseline of the number of visits made by citizens is sourced from the information reported by VSU number of visits made by. Target will be collected through administrative records.

The General Development Objective indicator target is expected to be observed by the operation's "Fully Justified" date in Convergence (CO): No

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator			

RESULTS MATRIX

Specific Development Objectives

Specific Development Objectives Nbr. 1: Promote firms' growth through increased adoption of digital solutions

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
1.0	1.1 Percentage of firms that use digital payment methods	Index	100	2022	P	110	118	118
					A	-	-	-

Details

Means of Verification: • Administrative records and enterprise survey • Baseline surveys to beneficiaries • Endline surveys to beneficiaries

Observations: The target of 18 p.p. increase assumes that Belizean firms reach the Caribbean average as reported using data from IFPG 2020: this is a change from 10% to 28%. Final numbers for baseline will come from baseline survey to beneficiaries.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
1.2	1.2 Average sales of MSME beneficiaries of grants (after 6 months treatment)	Index	100	2022	P	101	102	303
					A	-	-	-

Details

Means of Verification: • Administrative records and enterprise survey • Baseline surveys to beneficiaries • Endline surveys to beneficiaries

Observations: Source for baseline is 2016 Enterprise Survey. The evidence comes from Ca'Zorzi 2011, Singapore Tourism Board 2015 Haskel and Westlake 2017, Mckenzie 2021. The underlaying average sales are US \$20,025, estimated using the Enterprise Survey 2016. The target of 2 points increase is expected for the third year onwards. Final numbers for baseline will come from baseline survey to beneficiaries.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
1.3	1.3 Percentage of firms reporting introducing innovation in methods for information processing and communication among beneficiaries of Component 1.1	Index	100	2022	P	105	111	316
					A	-	-	-

Details

Means of Verification: • Administrative records and enterprise survey • Baseline surveys to beneficiaries • Endline surveys to beneficiaries

Observations: Methods for information processing and communication refer to digital/electronic means for processing information and for communicating which uses ICT. The preliminary baseline proportion uses IFPG data from 2020 which measures firms' introduction of innovation in the referenced method over the past three years (given that the previous survey issued was conducted in 2014). The final baseline will be estimated with baseline survey among beneficiaries to measure innovation introduced within the past two years. Target assumes 11.3% increase in process innovation among ICT users, as shown by Higón (2012). Implicit change using IFPG data is from 2.5% to 2.78%.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 2: Promote firm's efficiency through digitalization of licensing processes.

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
2.0	2.1 Change in number of days required to get an operating license	Index	100	2022	P	-	56	56
					A	-	-	-

Details

Means of Verification: Report from E Governance and digitalization unit with results from baseline and endline surveys

Observations: The target of 14 days reduction (44% of IFPG baseline) assumes that Belizean firms reach the Caribbean average as reported using data from IFPG 2020: this is a change from 32 to 18 days. Baseline information will be updated before start-up plan when data from baseline survey becomes available.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Specific Development Objectives Nbr. 3: Reduce costs for citizens through the digitalization of civil registration services.

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
3.0	3.1 Reduction in average cost for citizens to obtain a certificate with the VSU.	Cost	13.73	2022	P	-	10.67	10.67
					A	-	-	-

Details

Means of Verification: Report from E-Governance and Digitalization Unit

Observations: The provisional baseline value for 2022, is US\$13.73. The targets expected for Year 3, Year 5, and the end of project is US\$10.67 according to the assumptions in the base scenario of the economic analysis for component 2. Currently the baseline is computed based on assumptions explained in the Economic Analysis. The baseline will be updated based on indicators collected through a household survey and a methodology to compute costs for citizens. There will be two household surveys to collect this data: the baseline survey in 2022, and a follow up survey in 2027 (details explained above in this M&E plan). Certificates issued by the VSU in the Attorney General (AG) ministry include birth, adoption, marriage among other certificates. This indicator will be updated based on the baseline survey that will be implemented in November 2022. To compute this indicator we will gather information on the time and cost of requesting one of the certificates that the VSU offers. From a nationally repres

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

Indicator		Unit of Measure	Baseline	Baseline Year		2025	2027	EOP 2028
3.4	.	.	0	2022	P	-	-	-
					A	-	-	-

Details

Means of Verification: • Administrative records and enterprise survey • Baseline surveys to beneficiaries • Endline surveys to beneficiaries

Observations: Methods for information processing and communication refer to digital/electronic means for processing information and for communicating which uses ICT. The preliminary baseline proportion uses IFPG data from 2020 which measures firms' introduction of innovation in the referenced method over the past three years (given that the previous survey issued was conducted in 2014). The final baseline will be estimated with baseline survey among beneficiaries to measure innovation introduced within the past two years. Target assumes 11.3% increase in process innovation among ICT users, as shown by Higón (2012). Implicit change using IFPG data is from 2.5% to 2.78%.

Evaluation Methodology: -

Pro-Gender	No	Pro-Ethnicity	No	CRF indicator	

RESULTS MATRIX

OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

Component Nbr. 1 Digital transformation for MSME growth

				PHYSICAL PROGRESS	FINANCIAL PROGRESS
	Output	Unit of Measure		EOP 2028	EOP 2028
1.01	1.1.1 Gender sensitized digital awareness campaign	Campaign launched	P	5	150,000
			P (a)	5	150,000
			A	-	-
1.02	1.1.2 Digital transformation projects: micro-small firms	Projects funded	P	190	380,000
			P (a)	190	380,000
			A	-	-
1.03	1.1.3 Digital transformation projects: medium firms	Projects funded	P	8	150,000
			P (a)	8	150,000
			A	-	-
1.04	1.1.4 Digital transformation projects: large firms	Projects funded	P	2	120,000
			P (a)	2	120,000
			A	-	-
1.05	1.2.1 ICT clusters operating	Cluster supported	P	1	150,000
			P (a)	1	150,000
			A	-	-
1.06	1.2.2 Digital innovation incubator operating	Incubator operating	P	1	300,000
			P (a)	1	300,000
			A	-	-
1.07	1.2.3 Vouchers for digital skills program (men only)	Vouchers	P	20	175,000
			P (a)	20	175,000
			A	-	-
1.08	1.2.4 Vouchers for digital skills program (women only)	Vouchers	P	20	175,000
			P (a)	20	175,000
			A	-	-
1.09	1.3.1 Platform to support government e- services completed	Platform launched	P	1	500,000
			P (a)	1	500,000
			A	-	-
1.10	1.3.2 E-portal for government services	Website operating	P	1	300,000
			P (a)	1	300,000
			A	-	-
1.11	1.3.3 Processes harmonized	ICT processes approved	P	3	150,000
			P (a)	3	150,000
			A	-	-
1.12	1.3.4 Services digitized	Services reengineered	P	20	2,100,000
			P (a)	20	2,100,000
			A	-	-
1.13	1.3.5 Staff trained	Persons trained	P	160	550,000
			P (a)	160	550,000
			A	-	-
1.14	1.3.6 Firms trained in digital literacy	Firms trained	P	300	300,000
			P (a)	300	300,000
			A	-	-

Component Nbr. 2 Digital transformation of government services for citizens

				PHYSICAL PROGRESS	FINANCIAL PROGRESS
	Output	Unit of Measure		EOP 2028	EOP 2028
2.01	2.1 Legal and Regulatory Framework	Legislation drafted	P	4	140,000
			P (a)	4	140,000
			A	-	-
2.02	2.2 Civil registry digitalized	Number of civil registries digitalized	P	1	2,800,000
			P (a)	1	2,800,000
			A	-	-
2.03	2.3 Staff trained	Persons trained	P	20	200,000
			P (a)	20	200,000
			A	-	-
2.04	2.4 Citizens trained in digital literacy	Persons trained	P	500	250,000
			P (a)	500	250,000
			A	-	-
2.05	2.5 Gender sensitized digital awareness campaign	Campaign launched	P	4	110,000
			P (a)	4	110,000
			A	-	-

Other Cost			
	3.1 Technical support	P	700,000
		P (a)	700,000
		A	0
	3.2 Monitoring and Evaluation, Audits, Midterm Evaluation	P	200,000
		P (a)	200,000
		A	0
	3.3 Equipment/ Data Analytics and Systems	P	100,000
		P (a)	100,000
		A	0
Total Cost			
	Total Cost	P	10,000,000
		P (a)	10,000,000
		A	0

No information available for this section

RISKS AND PLANNED RESPONSES

Risk ID	Risk Status		Risk Taxonomy
1	Active		Institutional Environment
	Response Actions		
	1.01	Management Strategy	Status
		MITIGATE	ACTIVE

Risk ID	Risk Status		Risk Taxonomy
2	Active		Internal Processes
	Response Actions		
	2	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
3	Active		Systems
	Response Actions		
	3	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
4	Active		Economic and Financial Environment
	Response Actions		
	4	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
5	Active		Governance Framework
	Response Actions		
	5.01	Management Strategy	Status
		MITIGATE	ACTIVE

Risk ID	Risk Status		Risk Taxonomy
6	Active		Sustainability
	Response Actions		
	6	Management Strategy	Status

Risk ID	Risk Status		Risk Taxonomy
7	Active		Human Resources
	Response Actions		
	7.01	Management Strategy	Status
		MITIGATE	ACTIVE

IMPLEMENTATION STATUS AND LEARNING

Lesson Learned - Categories
Project Management Capacity
Project Design