

# Technical Cooperation Document

## I. Basic Information

- Country/Region: Belize
- TC Name: Implementation of the Emerging and Sustainable Cities Initiative in Belize City
- TC Number: BL-T1076; BL-T1077
- Team Leader/Members: Gilberto Chona, Team Leader (IFD/FMM); Sandra Bartels, Co-Team Leader (FMM/CNI); Roland Krebs, Marina Massini, Diana Champi (IFD/FMM); Luis Lopez-Torres (INE/ESC); Diego Arcia, Sarah Benton (INE/WSA); Elizabeth Ayala (CID/CBL); and Cristina Landázuri-Levey (LEG/SGO)
- Taxonomy: Client Support
- Date of TC Abstract authorization: April 13, 2015
- Beneficiary: Belize City
- Executing Agency: Inter-American Development Bank through the Fiscal and Municipal Management Division (IFD/FMM)
- Donors providing funding: Sustainable Cities Fund (SCT) and Emerging and Sustainable Cities Fund (ESC)
- IDB Funding Requested: US\$740,552 (SCT - Ordinary Capital Special Program)  
US\$359,448 (ESC - Multidonor Trust Fund)  
US\$1,100,000
- Local counterpart funding: N/A
- Disbursements period: 42 months (execution period: 36 months)
- Required start date: August 2015
- Types of consultants: Firms and individual consultants
- Prepared by Unit: IFD/FMM
- Unit of Disbursement Responsibility: Institutions for Development Sector (IFD/IFD)
- TC Included in Country Strategy: Yes
- TC Included in CPD: No
- GCI-9 Sector Priority: (i) Infrastructure for competitiveness and social welfare;  
(ii) Institutions for growth and social welfare; and  
(iii) Protect the environment, respond to climate change, promote renewable energy, and secure food security

## II. Objectives and Justification

- 2.1. The main objective of this Technical Cooperation (TC) is to improve the sustainability and urban environment of Belize City, through the implementation of the methodology of the Emerging and Sustainable Cities Initiative (ESCI) regular program. In accordance with document GN-2652-5, the ESCI's regular program is implemented in one city in each IDB borrowing member country. According to ESCI's selection process, Belize City has been selected for ESCI's 2015 regular program.
- 2.2. Belize City, with a population of 60,963,<sup>1</sup> is by far the country's largest city, housing almost 40% of all its urban residents. Despite the seat of government transferring to Belmopan in 1970, Belize City has continued to grow at an average annual rate of

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<sup>1</sup> This is the mid-year population estimate for 2015 (Population Estimates by Major Administrative Areas and Sex, 2008-2015 (2015). Statistical Institute of Belize). The most recent census data for Belize put the population at 57,169 in 2010 (Population Section Tables (2010), [Statistical Institute of Belize](#)).

1.13% during the last intercensal period.<sup>2</sup> The city has repeatedly suffered extensive losses from hurricanes, fires, and flooding. Indeed, the decision to move the capital was based largely on the recognition of the city's vulnerability in the wake of Hurricane Hattie in 1961. Rural to urban migration in Belize has been characterizing urban population growth in recent years, by both domestic and international migrants. Population growth has occurred in Belize City and surrounding communities. The process of urbanization and these spatial and demographic changes have led to an increasing incidence of traffic congestion and gridlock, a lack of housing and an increase in informal settlements, crime and insecurity, and pollution.<sup>3</sup>

- 2.3. Belize has shifted to greater decentralization and local autonomy in recent years with the establishment of local government councils. Belize City is located in the District of Belize, one of six major political-administrative districts, which is divided into 10 sub-districts. The city is managed by the City Council, which is administered by the elected mayor and councilors from the constituencies. The City Council is responsible for the provision of certain basic services (street lighting, parks and public amenities, street maintenance, etc.) in addition to collecting property taxes. Local authorities receive additional funding through licensing of motor vehicles, liquor, and trade; and subventions and grants from the Central Government. The Minister of Local Governments is responsible for all legislation and regulations related to local government issues.<sup>4</sup> The local Traffic Department, in coordination with the Police Department, Transport Board and Ministry of Transport, is responsible for traffic related issues and functions.
- 2.4. The city suffers severely from violence, a significant contributing factor to the neglect of urban space, economic deterioration, and decline of cultural life in cities. In 2011, the homicide rate was 105.1 intentional homicides per 100,000 people.<sup>5</sup> The U.S. State Department advises potential tourists that "the majority of homicides in 2013 occurred in the Belize district, with most in the southern portion of Belize City, an area that has become increasingly violent due to ongoing gang warfare."<sup>6</sup> According to the Belize Ministry of Health, in 2012, homicide was the second most leading cause of death in the country.<sup>7</sup> These issues of crime and insecurity are examples of areas the ESCI can help to address through its integrated assessment, prioritization, and action plan.
- 2.5. Rapid urban growth in LAC has presented a series of challenges that should be addressed through a holistic and multi-sectorial approach to ensure sustainability in the urban environment. These challenges occur in areas such as transport, sanitation, solid waste management, disaster risk in the face of climate change, urban planning, and municipal finances. These varied yet interrelated problems threaten the sustainability of these cities, and negatively affect the quality of life of their residents, requiring complicated measures to resolve them.<sup>8</sup> This operation

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<sup>2</sup> IDB calculation based on Population Section Tables (2000, 2010), Statistical Institute of Belize.

<sup>3</sup> Final Report BL-T1018 Belize City Master Plan-Volume I Urban Development Plan (2012). IDB/PADECO/I.E.

<sup>4</sup> Government of Belize, "[Local Government](#)." Last updated 2013.

<sup>5</sup> Intentional homicide count and rate per 100,000 population in the most populous city, by country/territory (2005-2012). UNODC Statistics.

<sup>6</sup> Department of State, "Belize." Last updated September 22, 2014.

<sup>7</sup> Illnesses and Causes of Death (2012). Ministry of Health (Belize).

<sup>8</sup> Document GN-2652-5.

adds value by leveraging the Bank's multisectoral expertise, especially in subnational government institutions, planning, infrastructure, and the environment, to guide LAC cities on a path to sustainability, addressing their citizens' most urgent concerns without jeopardizing the resources available for future generations.

- 2.6. The ESCI specifically adds value to the cities in aspects such as: (i) mobilizing financial resources of potential partners; (ii) supporting the pre-investment and complementary funding; (iii) facilitating public engagement and participation; (iv) identifying action/project priorities for sustainability; and (v) deepening and disseminating knowledge and understanding of the urban dynamics in the region.
- 2.7. One of the most important opportunities for the Bank to help cities find a path to sustainability is to assist countries to fulfill goals related to the Ninth General Capital Increase (GCI-9). The ESCI will contribute directly to (i) incentivizing an increase in financing for infrastructure that promotes competitiveness and social well-being; (ii) strengthening subnational institutions; and (iii) protecting the environment and facing climate change, as the energy requirements of development are met. This operation also provides an important opportunity to foster a multi-sectorial, integrated technical support coordinated among the different expertise areas of the Bank, with a holistic perspective and the possibility to adapt the Bank's support to the challenges created by climate change in the region's urban areas. By improving the conditions and sustainability of Belize's largest city, it also supports a small, vulnerable country.
- 2.8. This operation is aligned with the Country Strategy with Belize 2013-2017 (GN-2746) as the topics assessed for potential inclusion, as priority areas in the action plan, include the four targeted in the country strategy: (i) education; (ii) tourism (as part of economic competitiveness and employment); (iii) transport; and (iv) tax policy (as part of taxes and financial autonomy).

### **III. Description of activities/components and budget**

- 3.1 **Component 1. Preparation, diagnostic assessment and analysis, prioritization, strategy selection, and preparation of action plan (US\$450,000).** This TC involves a multi-phase process which culminates in an action plan addressing the city's critical environmental, urban, and fiscal/governance challenges. During the initial phase, main actors and critical stakeholders (including the Government of Belize, the local City Council, and members of civil society) will be identified to participate in the process and ensure local ownership of the action plan and subsequent projects. An analysis of existing and planned projects in Belize City by the Bank and other such organizations will also be undertaken in order to avoid duplication of efforts. Bank specialists from a multitude of sectors will participate in this process, staying abreast of current and planned activities that can complement the activities of the ESCI.
- 3.2 This component also includes the identification of critical action areas for Belize City using a multi-sectorial diagnostic assessment of the city's environmental, urban, and fiscal and governance dimensions. Bank specialists and consultants will analyze a set of [approximately 117 indicators](#) (collected from consultations with the previously mentioned local counterparts from the public and private sectors) representing these dimensions, in conjunction with stakeholder interviews and other relevant documents such as development plans. The assessment will identify which thematic areas of

Belize City are weakest in terms of environmental, urban, and fiscal/governmental sustainability and thus are priorities for action.

- 3.3 Subsequently, these specialists and consultants will further prioritize those critical action areas with the greatest potential to improve the sustainability and quality of life in the city using three criteria: public opinion (determined through a representative public opinion survey), potential economic cost of non-intervention (specialist assessment using economic data), and potential to reduce greenhouse gas (GHG) emissions or vulnerability to natural hazards (based on the studies mentioned to follow). This component also covers an urban footprint study; a vulnerability and hazard study in the context of climate change; and a GHG emissions inventory as inputs for this analysis. The data and results of the diagnostic assessment and the three base studies will be disseminated to stakeholders so it may inform policy, planning and decision-making.
- 3.4 Through consultations, including meetings and public workshops, with the authorities and other relevant stakeholders (universities, non-governmental organizations, citizens, etc.), an action plan will then be developed with concrete strategies to address the issues identified in the priority action areas. The action plan will integrate the design, execution, and potential financing sources of the identified strategies, and shall be agreed upon with central and local authorities in Belize prior to the initiation of any pre-investment studies.<sup>9</sup>
- 3.5 **Component 2. Pre-investment studies for prioritized interventions (US\$550,000).** The operation will finance pre-investment studies essential to the sustainability of Belize City. The pre-investment studies will support one or more projects included in the action plan, and cover one or more of the initiative's three pillars (environmental, urban, and fiscal/governance). These studies may include more detailed diagnostics, the determination of economic and technical pre-feasibility, engineering drafts, and designs. However, the number, depth, and areas of coverage of the studies will be determined by the action plan. The selection will be based on where the ESCI funds can have the greatest impact, as determined by factors such as the priority of the project, the potential of other funding sources to finance the studies, commitment to finance the implementation of the project, importance to stakeholders, and the urgency of intervention.
- 3.6 The financing for each intervention will be distributed according to local priorities, local government capacities, and the technical analysis of the Bank's specialists. The public investment unit of the Ministry of Finance will also be included.
- 3.7 **Component 3. Monitoring System (US\$100,000).** This component will finance the design and initial implementation of an external system to monitor the results and impact of Belize City's action plan and the city's general progress. This system will be set up with local actors, such as civil society organizations, universities, media agencies, the private sector, etc., and will provide a platform for them to track the progress of the city through the monitoring of a series of indicators of their choosing. They may use indicators collected during the diagnostic assessment as a baseline and update them over time with data provided by the government. The resources provided by this component will cover the design, establishment, and initial operation

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<sup>9</sup> For more information, please see the [ESCI Methodological Guide](#).

of the system, which will then be handed over to the local group identified to lead and maintain it.

- 3.8 As a result, in the short term, Belize City will have a diagnosis and prioritization of its critical areas, with solutions identified for these in an action plan. This plan will support an integrated vision of urban, environmental, and fiscal/institutional sustainability. The action plan will provide the city with an agenda of priority investments compatible with the technical and financial capacities necessary to execute it in an effective way. This will allow the city to execute high impact investments, avoiding wasting resources on low priority topics. This TC supports the development of inter-sectorial plans for interventions that require interdisciplinary collaborations. An example of such inter-sectorial work is the Integrated Waterfront Park and Coastal Zone Management Project proposed by the ESCI Montego Bay Action Plan, which is composed of urban planning, economic, environmental, public health, and disaster risk reduction elements.
- 3.9 In addition to the above-mentioned components, it is expected that approximately four Bank staff (depending on the areas prioritized as a result of the methodology and specific city needs), with specialized technical and first-hand knowledge of ESCI's methodology, will lead the implementation of the activities included in this TC's components. These staff will be travelling for multiple missions to the beneficiary country with the purpose of implementing the ESCI methodology. The first preparation mission involves the collection of basic background information and identification of stakeholders (formation of the local IDB team and the local authority team). The ESCI methodology includes the following phases: Phase 1, that involves the analysis and diagnostic phase; Phase 2, that consists of the prioritization of critical areas; Phase 3, that includes the development of strategies; Phase 4, that involves the development of the action plan and its implementation; and Phase 5, that consists in the establishment of a monitoring system. This is essential not only for the proper implementation of the TC and the quality of the technical studies, but also for ensuring an adequate cooperation and coordination between the Bank and local authorities.<sup>10</sup>

**Table 1. Indicative Results Matrix**

<b>Results Indicators</b>	<b>Baseline</b>	<b>Goal</b>	<b>Verification Method</b>
Belize City Council has adopted (approved and committed to by local legislation) the ESCI Action Plan	0	1 Action Plan (end of I Semester 2016)	Source: The TC's monitoring and evaluation system
<b>Product Indicators</b>	<b>Baseline</b>	<b>Goal</b>	<b>Verification Method</b>
<b>Component 1. Preparation, diagnostic assessment and analysis, prioritization, strategy selection, and preparation of action plan</b>			
The city has applied the methodological instruments and the sectors/action areas have been prioritized	0	Prioritization (IV Quarter 2015)	Source: The TC's monitoring and evaluation system

<sup>10</sup> In accordance with the provisions of paragraph 2.32 of GN-2470-2 (Proposal for a new Bank policy on technical cooperation), this TC proposes that part of the resources of the Bank's contribution be used for the financing of staff travel that is considered essential to perform activities comprised in the components of the TC. The financing of these expenses will not supplement the administrative budget of the Bank and/or the administrative budget of the Coordinating Group of ESCI for routine or customary activities.

The GHG emissions inventory, vulnerability and hazard assessment in the context of climate change, and urban growth study have been carried out and finalized	0	3 Studies (I Quarter 2016)	Source: The TC's monitoring and evaluation system
<b>Component 2: Pre-investment studies for prioritized interventions</b>			
Number of pre-investment studies finalized	0	1 Project (IV Quarter 2017)	Source: The TC's monitoring and evaluation system
<b>Component 3: Monitoring system</b>			
The ESCI Action Plan monitoring system has been established and implemented	0	1 system (IV Quarter 2017)	Source: The TC's monitoring and evaluation system

3.10 The total cost of this TC is US\$1,100,000, of which US\$740,552 will be financed with Ordinary Capital through the Sustainable Cities Fund (SCT), and US\$359,448 will be financed by the Emerging and Sustainable Cities (ESC) Multi-donor Trust Fund. ([See Detailed Budget](#))

**Table 2. Indicative Budget (US\$)**

Activity/Component	BID/SCT	BID/ESC	Total
<b>Component 1.</b> Preparation, diagnostic assessment and analysis, prioritization, strategy selection, and preparation of action plan	90,552	359,448	450,000
<b>Component 2.</b> Pre-investment studies for prioritized interventions	550,000	0	550,000
<b>Component 3.</b> Monitoring system	100,000	0	100,000
<b>Total</b>	<b>740,552</b>	<b>359,448</b>	<b>1,100,000</b>

#### **IV. Executing Agency and Execution Structure**

- 4.1 The Bank, through IFD/FMM, will be responsible for executing this TC, due to FMM's substantial experience providing technical assistance to cities and its technical knowledge, particularly in the areas of fiscal sustainability, institutional strengthening, housing, and urban planning. This will be done in close coordination with the ESCI Coordination Group. Bank execution will afford an optimum level of standardization in the methodological process and instruments applied in each one of the cities, as well as the operative coordination to ensure the TC's success. The Belize City Council and the central government will participate actively in the application of the methodology, building technical capacity and benefitting from the final products. The Bank has specialized technical knowledge of ESCI's methodology, as well as experience providing technical assistance to cities.
- 4.2 The Bank will contract individual consultants and consulting firms in accordance with Bank's current procurement policies and procedures.
- 4.3 The development of the activities related to Belize City will be led by the team leader with the support of other specialists from various areas of the Bank, in coordination with the specialists located in the Bank Country Office in Belize or assigned to the existing Belize portfolio. The project team will include at least one specialist representing each of the ESCI's three dimensions of sustainability. The ESCI

coordination group will work with the Office of Outreach and Partnerships (ORP) in topics related to the ESCI's external partners to mobilize external resources for the project.

- 4.4 Belize City will benefit from the integrated diagnostics and action plan, including the identification of the principal problems and potential strategies to resolve them. This process will be executed under the leadership of the Bank's technical team.

## **V. Major issues**

- 5.1 There four fundamental risks that could impede achieving the results of this TC: (i) lack of coordination among all government entities during the implementation of the methodology in Belize City; (ii) institutional weakness and low technical capacity of the government; (iii) lack of availability of high quality data during the assessment phase; and (iv) lack of interest and participation from local citizens.
- 5.2 To minimize the first risk, during the execution of this TC the ESCI team will hold coordination meetings with all government agencies involved in the process, including the Ministry of Finance. This coordination is expected to strengthen ESCI's operations in the city, providing an adequate framework for identification of priority interventions, the development of its activities and methodology. As to the second risk, the action plan will incorporate institutional strengthening methods to improve the capacity of the authorities in Belize City to execute and supervise projects like those to be implemented from the ESCI action plan. The third risk will be mitigated by the Bank's team during the assessment phase through the application of appropriate methodological methods (e.g., use of appropriate proxy indicators or calculation of intermediate variables). The fourth risk will be mitigated through collaboration with local public and private stakeholders; by working together to reach out to networks and raise public awareness and interest. Workshops, informational and community meetings will be held to raise interest in and gain input for the development of the action plan.

## **VI. Exceptions to Bank's Policy**

- 6.1 No exceptions to Bank policy have been identified.

## **VII. Environmental and Social Strategy**

- 7.1 There are no negative environmental or social associated with the activities and has been rated as "C" according to the Environment and Safeguard Compliance Policy (OP-703) (see [Safeguard and Policy Filters](#)).

### **Required Annexes:**

- Annex I: [Letter of request](#)
- Annex II: [Terms of reference](#)
- Annex III: [Procurement Plan](#)



**IMPLEMENTATION OF THE EMERGING AND SUSTAINABLE CITIES INITIATIVE IN  
BELIZE CITY**

<b>BL-T1076</b>	<b>US\$740,552 (SCT)</b>
<b>BL-T1077</b>	<b>US\$359,448 (ESC)</b>

**CERTIFICATION**

I hereby certify that this operation was approved for financing under the Sustainable Emerging and Cities Special Program (SCT) and the Sustainable Emerging Cities Multidonor Trust Fund (ESC), through a communication dated April 13, 2015 and signed by Jane de Souza Silva, ORP/GCM. Also, I certify that resources are available for up to **US\$1,100,000** in order to finance the activities described and budgeted in this document. This certification reserves resources for the referenced project for a period of four (4) calendar months counted from the date of eligibility from the funding source. If the project is not approved by the IDB within that period, the reserve of resources will be cancelled, except in the case a new certification is granted. The commitment and disbursement of these resources shall be made only by the Bank in US dollars. The same currency shall be used to stipulate the remuneration and payments to consultants, except in the case of local consultants working in their own borrowing member country who shall have their remuneration defined and paid in the currency of such country. No resources of the Fund shall be made available to cover amounts greater than the amount certified herein above for the implementation of this operation. Amounts greater than the certified amount may arise from commitments on contracts denominated in a currency other than the Fund currency, resulting in currency exchange rate differences, for which the Fund is not at risk.

*Signed original*

08/07/2015

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Sonia M. Rivera  
Chief  
Grants and Co-financing Management Unit  
ORP/GCM

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Date



## MEMORANDUM

File Classification: PO-BL-T1076; BL-T1077-Adm

IFD/FMM/118/2015

**Date: 08/12/2015**

**To:** Santiago Levy  
Vice President for Sectors and Knowledge

**From:** Ana Maria Rodríguez-Ortíz  
Sector Manager, IFD/IFD

**Subject:** **BELIZE.** Implementation of the Emerging and Sustainable Cities Initiative (ESCI) in Belize City (BL-T1076; BL-T1077). Nonreimbursable financing up to the amount of US\$1,1000,000. SCT Ordinary Capital and ESC Multidonor Fund. Approval.

We are attaching for your consideration and approval, the document describing Technical Cooperation "Implementation of the Emerging and Sustainable Cities Initiative (ESCI) in Belize City". This document has been prepared by the Project Team pursuant to the guidelines and procedures established for the preparation and processing of nonreimbursable technical cooperation operations.

Pursuant to Resolutions DE-44/08 and DE-103/14, and in accordance with the delegation of authority granted by the President to the Vice Presidents pursuant to the provisions set forth in the Bank's Operations Processing Manual (PR-501), the Vice President for Sectors and Knowledge has the authority to approve nonreimbursable technical cooperation operations up to the amount of US\$1,500,000.

Therefore, taking into consideration that the amount of this operation does not exceed the amount of US\$1,500,000, it is hereby recommended that the above-referenced operation be approved.

Mr. Gilberto E. Chona ([gilbertoc@iadb.org](mailto:gilbertoc@iadb.org), ext. 2597), Project Team Leader, will be available to answer any questions.

Approved: *Signed original*  
Santiago Levy, Vice President

Date: 08/12/2015



## MEMORANDUM

File Classification: PO-BL-T1076; BL-T1077-Adm

IFD/FMM/118/2015

**Date: 08/12/2015**

**To:** Santiago Levy  
Vice President for Sectors and Knowledge

**From:** Ana Maria Rodríguez-Ortíz  
Sector Manager, IFD/IFD

**Subject:** **BELIZE.** Implementation of the Emerging and Sustainable Cities Initiative (ESCI) in Belize City (BL-T1076; BL-T1077). Nonreimbursable financing up to the amount of US\$1,100,000. SCT Ordinary Capital and ESC Multidonor Fund. Approval.

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Mr. Gilberto E. Chona ([gilbertoc@iadb.org](mailto:gilbertoc@iadb.org), ext. 2597), Project Team Leader, will be available to answer any questions.

VoBo:

Date:

*Signed original*  
Andrés Consuegra, LEG/SGO

**08/10/2015**

*Signed original*  
Vicente Fretes Cibils, IFD/FMM

**08/10/2015**

*Signed original*  
Gina Montiel, CID/CBL

**08/10/2015**

*Signed original*  
Marina Bassi, VPS/VPS

**08/12/2015**