



Support to Safety Nets for Vulnerable Populations Affected by Coronavirus in Belize

(BL-L1034; 5056/OC-BL)

Project Completion Report (PCR)

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INDEX

Electronic Links	ii
Optional Electronic Links	ii
BASIC PROJECT INFORMATION	iii
I. INTRODUCTION.....	5
A. Evolution of the Covid-19 pandemic and public health response	5
B. Economic crisis	5
II. CORE CRITERIA, PROJECT PERFORMANCE	7
A. Relevance	7
a. Alignment with country development needs	7
b. Strategic Alignment.....	8
c. Relevance of Design.....	9
B. Effectiveness.....	12
a. Statement of Project Development Objectives	12
b. Results Achieved	12
c. Counterfactual analysis.....	16
d. Unexpected results	16
C. Efficiency.....	16
D. Sustainability	20
a. General Sustainability Aspects.....	20
b. Environmental and Social Safeguards	20
III. NON-CORE CRITERIA	21
a. Bank Performance	21
b. Borrower Performance.....	21
c. Findings and Recommendations.....	22
REFERENCES	23

Electronic Links

1. [Development Effectiveness Matrix \(DEM\) Summary](#)
2. [Final version of the Progress Monitoring Report \(PMR\)](#)
3. [PCR Checklist](#)

Optional Electronic Links

1. [Ex post Cost-Analysis Report](#)
2. [Minutes of the project's Exit Workshop and/or written feedback from the government](#)

Acronyms and Abbreviations

IDB	Inter-American Development Bank
BOOST	Building Opportunities for Our Social Transformation
COVID-19	Coronavirus disease 2019, the disease caused by the 2019 novel coronavirus
GDP	Gross Domestic Product
IDB	Inter-American Development Bank
UNDP	United Nations Development Program

BASIC PROJECT INFORMATION

VPF-ADS PCR Dashboard

^BL-L1034 Support to Safety Nets for Vulnerable Populations Affected by Coronavirus in Belize

Country Beneficiary Belize	Loan Instrument Investment Loan	Borrower BL-BL - BELIZE	Loan(s) 5056/OC-BL	Sector Social Investment	Sub-Sector Poverty Alleviation
Date of Board Approval Jun 19, 2020	Date of Eligibility for First Disbursement Aug 06, 2020	Date of Closure (CO) Dec 14, 2021	Loan Amount - Original 12,000,000.00	Loan Amount - Current 12,000,000.00	Pari Passu N/A
Total Project Cost Not Available	Months In Execution from Approval 18	Months In Execution from First Disbursement 16	Original Date of Final Disbursement Jul 13, 2021	Actual Date of Final Disbursement Jul 13, 2021	Cumulative Extension(Months) 0
Total Amount Disbursed 12,000,000.00	Total Percentage of Disbursement 100%				

^ Ratings of project Performance in PMRs



Has This Project Received Funds from
another Project? ☐ Yes ☒ No

Has This Project Sent Funds to Another
Project? ☐ Yes ☒ No

Development Effectiveness Classification Satisfactory

No	PMR Date	PMR Stage	Classification	Disbursement Percentage (As of Dec 31)
1	May 20, 2021	Second period Jan-Dec 2020	Satisfactory	100%

^ Bank Staff



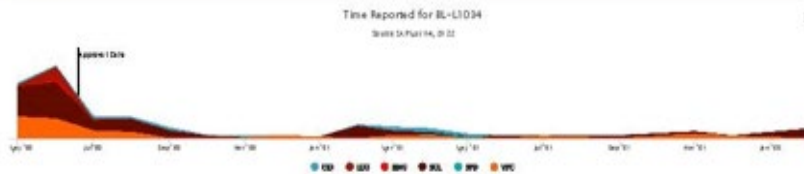
Positions	At PCR Dec 14, 2021	At Approval Jun 19, 2020
Vice-President VPS	Lopez, Benigno	Rodriguez-Ortiz, Ana
Vice-President VPC	Martinez, Richard	Rosa, Alexandre
Country Manager	Quevedo, Fernando (CID/CID)	Zavala Lombardi, Veronica E. (CID/CID)
Sector Manager	Regalia, Ferdinando (SCL/SCL)	Cebrol, Marcelo E. (SCL/SCL)
Division Chief	Pablo Ibarra (SCL/SPH)	Regalia, Ferdinando (SCL/SPH)
Country Rep	Lopez Ghio, Ramiro Andres (CID/CBL)	Rogers, Cassandra T (CID/CBL)
Project Team Leader	Stampini, Marco (SCL/SPH)	Stampini, Marco (SCL/SPH)
PCR Team Leader	Stampini, Marco (SCL/SPH)	Stampini, Marco (SCL/SPH)

^ Staff Time and Cost



Stage Project Cycle	# of Staff Weeks	USD (including Travel and Consultant Costs)
Preparation	6.9	18,137.11
Supervision	11.9	172,369.59
Total	18.8	190,506.70

^ Time



I. INTRODUCTION

- 1.1 This report analyzes the results and discusses the lessons learned from the implementation of the project “Support to Safety Nets for Vulnerable Populations Affected by Coronavirus in Belize” (BL-L1034; 5056/OC-BL). The Project was approved by the Inter-American Development Bank (IDB) Board of Directors on June 19th, 2020, through a specific investment loan of US\$12 million. It was part of the IDB response to the crisis caused by COVID-19 pandemic. The Loan Agreement with the Government of Belize was signed on July 13th, 2020. The Project became eligible for disbursements on August 6th, 2020, was fully disbursed by September 23rd of the same year, and was closed on December 14th, 2021.
- 1.2 The overall objective of the project was to ensure minimum levels of quality of life for vulnerable persons amid the crisis caused by COVID-19. The specific objective was to support minimum income levels for those affected by the COVID-19 crisis in the immediate period. These objectives were pursued by supporting the implementation of the Unemployment Relief Program, which provided temporary unconditional cash transfers to previously formally employed, informally employed, or long-term unemployed individuals during the socioeconomic crisis caused by the COVID-19 pandemic. The project reached 29,688 beneficiaries - 9,438 in the informal sector and 20,250 in the formal sector.

A. Evolution of the Covid-19 pandemic and public health response

- 1.3 On March 11th, 2020, the World Health Organization classified the COVID-19 epidemic as a pandemic. The first COVID-19 case in Belize was confirmed by the Ministry of Health on March 23rd, 2020. As of December 31st, 2021, Belize had recorded 32,840 COVID-19 cases and 602 related deaths.
- 1.4 To curb the spread of the virus, the Government of Belize declared a state of emergency on April 1st, 2020. It applied a curfew, closed borders, ports of entry (except for cargo entry ports), and non-essential businesses throughout April. After May 1st, authorities relaxed restrictions to mobilize workers for essential activities. Public transport by land, sea, and air was resumed with some restrictions, government offices reopened, and other businesses began to operate with a limited schedule (6 hours per day). However, the population was encouraged to maintain distancing. On April 28th, 2020, the National Assembly passed a resolution extending the state of emergency for two additional months. The containment measures were relaxed in July 2020, which may have contributed to causing a spike in cases in August 2020.
- 1.5 The country received the first doses of vaccines (partly from the COVAX Facility) and started its vaccination process in March 2021. The health authorities gave priority to high-risk groups, including health workers, older persons, and persons with preexisting health conditions (cancer, human immunodeficiency virus (HIV), requiring dialysis).

B. Economic crisis

- 1.6 Due to the pandemic, the International Monetary Fund estimates that Belize's economy contracted by 16.7% in 2020. The tourism sector, which accounted for 41% of Gross Domestic Product (GDP) and 37% of employment before the crisis (UNDP, 2020), was among the hardest hit. In the first quarter of 2020, tourist arrivals dropped by 24% relative to the same quarter of the previous year (UNDP, 2020). The Belize Tourism Board reported that overnight arrivals were down 59% in March 2020, compared to the same month in 2019. In June 2020, experts estimate that 95% of the companies in the tourism sector had been affected by the crisis.

- 1.7 According to data from the Statistical Institute of Belize, the employment rate dropped from 62.7% in September 2019 to 47.6% in September 2020. During the same period, the unemployment rate increased by 3.3 percentage points (p.p.) - from 10.4% to 13.7%. Effects were heterogenous between sexes: the unemployment rate grew by 5.03 p.p. among men, against 1.2 p.p. for women (reflecting that women exited the labor market more than men).
- 1.8 The 2020 Labor Force Survey Report of the Statistical Institute of Belize estimates that about 34,381 persons lost their job or business between September 2019 and September 2020. As shown in [Table 1](#), most of these workers belonged to the tourism sector (35.1%), retail (14%), personal services (13.1%), and manufacturing (8.1%). [Table 2](#) complements the analysis by showing the type of lost occupation, mostly services or sales (41.1%), followed by elementary occupations (25.2%) and craft and related trades (12.1%).
- 1.9 A national survey conducted by the United Nations Development Program (UNDP) found that, as of June 2020, 70% of the households reported a loss in income. The most common coping mechanism against the crisis was savings, yet almost half of the households had savings that did not allow affording at least three months of consumption (UNDP, 2020).
- 1.10 Macroeconomic indicators deteriorated due to lower revenue collection and increased government spending. The International Monetary Fund forecasts that the debt-to-GDP ratio rose from 96.3% in 2019 to 133.1% in 2020. Standard and Poor's downgraded Belize's credit rating from B- (stable) to CCC (negative) on April 16th, 2020. Moody's downgraded this rating from B4 (stable) to Caa1 (negative) on May 12th, 2020.

Table 1. Job losses by the economic sector. September 2020, relative to September 2019

Sector in which worked before	Percentage	Number of lost jobs
Tourism	35.1%	12,068
Retail	14%	4,813
Personal Services	13.1%	4,504
Manufacture	8.1%	2,785
Construction	6.9%	2,372
Government	6.7%	2,304
Transport	5.6%	1,925
Real Estate	5.3%	1,822
Agriculture	3.8%	1,306
Aquaculture	0.5%	172
Forestry	0.3%	103
Public Services	0.3%	103
Finance	0.2%	69
Mining	0.1%	34
Total	100	34,381

Source: Own calculations based on Statistical Institute of Belize (2020).

Table 2. Job losses by type of occupation, September 2020, relative to September 2019

Previous Occupation	Percentage	Number of lost jobs
Services and Sales	41.1	14,131
Elementary Occupations	25.2	8,664
Crafters	12.1	4,160
Clerical Support	6.4	2,200
Technicians	5.8	1,994
Operators	5.4	1,857
Professionals	2.3	791
Skilled Agriculture	1.3	447
Managers	0.2	69
DK/NS	0.2	69
Armed Forces	0	0
Total	100	34,381

Source: Own calculations based on Statistical Institute of Belize (2020).

II. CORE CRITERIA, PROJECT PERFORMANCE

A. Relevance

a. Alignment with country development needs

- 2.1 The Project (as well as its vertical logic and development objectives) was fully aligned with the country's development needs and priorities, as it focused on supporting the income of the vulnerable population against the effects of the socioeconomic crisis caused by the COVID-19 pandemic. More specifically, the project supported the implementation of the Unemployment Relief Program, which was a new unconditional cash transfer program designed and implemented by the Government of Belize at the onset of the crisis.
- 2.2 To counteract the loss of income and protect the consumption levels of the vulnerable population, the government adopted a two-pronged strategy. First, on April 1st, the National Oversight Committee appointed the Economic Oversight Team, made up of government and opposition representatives, to oversee the establishment and implementation of the Unemployment Relief Program. Second, to continue to support income after the end of the Unemployment Relief Program, the Government implemented the temporary Belize COVID-19 Cash Transfer Program, which targeted households screened through a poverty assessment tool. This second program was implemented with support from the World Bank. It is not part of this project and therefore it is not assessed in this Project Completion Report.
- 2.3 The Unemployment Relief Program was advertised as a temporary cash transfer program for the unemployed and workers who lost their jobs and income, particularly but not exclusively in the tourism sector. Eligibility criteria included being a citizen of Belize and being over 18 years of age. Exclusion criteria included having a formal job, receiving benefits from other government or social security programs (such as pensions, disability benefits, or other cash transfers such as the Building Opportunities for Our Social Transformation (BOOST) program), and being fired in March 2020 by the Belize Tourism Board.
- 2.4 The design and implementation of a new and highly digital program (as far as concerns application, verification of eligibility, enrolment, and payment of the benefits) was a major enterprise, particularly during a crisis. Applications were received online, through a specifically [designed portal](#), and processed by the Central Information Technology Office.

They were checked against data from the Department of the Treasury, the Social Security Board (via an online service), the Belize Tourism Board, the Department of Fisheries, and the Ministry of Human Development, Social Transformation and Poverty Alleviation, to verify eligibility and exclusion criteria (and avoid duplication of benefits).

- 2.5 As a complement to the electronic verifications and the verification of the license lists, a group of eight high-level public officials called the employers and, if necessary, the applicants to verify the information provided. The applicants were classified as previously formal employees when: (i) they recently contributed to Social Security or employers confirmed the job loss; or (ii) they were registered with the Belize Tourism Board or the Department of Fisheries (for example, licensed tour guides or fishers, as well as licensed independent workers or micro-businesses that provide services to hotels and tour operators). All other applicants were classified as previously informal employees or unemployed. Given this verification process and the impossibility to rigorously verify informal employment, the program resembled in practice a temporary universal basic income program designed for adult citizens without formal jobs and that did not receive any other government aid.
- 2.6 Payments began during the month of April, using a mix of bank accounts (for beneficiaries who had one) and prepaid bank cards (for unbanked beneficiaries, representing about 20% of the total). This system of application and payment avoided the crowding observed in some Latin American and Caribbean countries that expanded cash transfer programs in response to the COVID-19 crisis.
- 2.7 The IDB Project included two components: Component 1 - Protection for the vulnerable population not on the roster of transfer programs, working in the informal sector, and Component 2 - Protection for the vulnerable population not on the rosters of the transfer programs, who worked in the formal sector. The components embrace two types of labor affected by the pandemic, consistent with the country's development needs and priorities.

b. Strategic Alignment

- 2.8 The project objectives and design were fully aligned with the IDB Group's corporate priorities. It aligned with IDB Group's Governance Response to the COVID-19 Pandemic Outbreak (GN-2996), by supporting activities to protect vulnerable populations through cash transfers.
- 2.9 The project was consistent with the second update of the Institutional Strategy (document AB-3190-2), aligning with the challenge of social inclusion and equality through the support of minimum levels of income and the well-being for the vulnerable population during the socio-economic crisis caused by the COVID-19 pandemic. It contributed to the 2020-2023 Corporate Results Framework (document GN-2727-12) through the indicator beneficiaries of targeted anti-poverty programs (indicator 2.3). It is aligned with IDB's Strategy on Social Policy for Equity and Productivity (document GN-2588-4) since it aims to increasing equity and supporting vulnerable populations.
- 2.10 The project was also consistent with the Social Protection and Poverty Sector Framework Document (document GN-2784-7), which underlines the importance of supporting vulnerable people through shock-responsive social protection programs; as well as with the Labor Sector Framework Document (document GN-2741-7), that underlines the importance of income protection instruments for the unemployed to alleviate consumption loss.

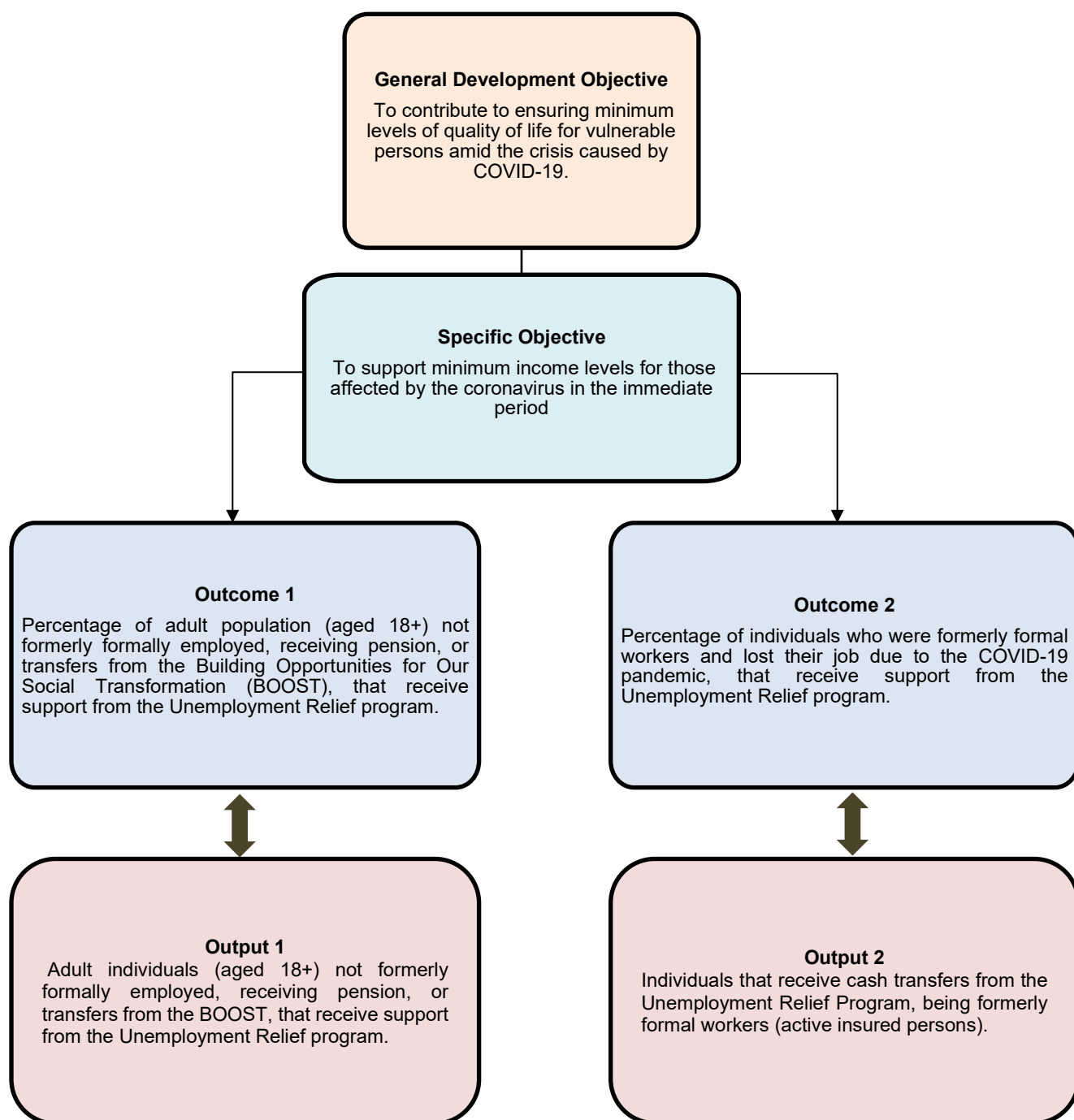
c. Relevance of Design

- 2.11 The Project design was fully relevant to meet the challenge of protecting minimum levels of income in Belize during the socioeconomic crisis caused by the COVID-19 pandemic, and to support the Government of Belize's pandemic response. Relevance was also maintained by ensuring that all the available resources were quickly deployed (between August and September of 2020) to provide temporary relief to the vulnerable population, including the unemployed from the formal and informal sectors.
- 2.12 The project was implemented as initially planned, with no changes in the indicators related to the Specific Development Objective and the planned targets stated in the results matrix (Table 3). Figure 2 presents the vertical logic of the project: objective 1 and indicator 1 refer to Component 1; objective 2 and indicator 2 refer to Component 2.

Table 3. Results matrix outcomes (at approval, startup plan and exit)

Indicators	At approval			Startup plan			At project completion (PCR)		
	Unit of measure	Baseline	EOP (P)	Unit of measure	Baseline	EOP (P)	Unit of measure	Baseline	EOP (A)
Indicator 1. Percentage of adult population (aged 18+) not formerly formally employed, receiving pension, or transfers from the Building Opportunities for Our Social Transformation (BOOST), that receive support from the Unemployment Relief program.	%	0	9.03	%	0	9.03	%	0	9.21
Indicator 2. Percentage of individuals who were formerly formal workers and lost their job due to the COVID-19 pandemic, that receive support from the Unemployment Relief program.	%	0	60.49	%	0	60.49	%	0	71.30

Figure 2. Vertical Logical



Source: Own elaboration

- 2.13 The general objective of the project was to contribute to ensuring minimum levels of quality of life for vulnerable persons amid the crisis caused by COVID-19. No impact indicator was included, due to the lack of household data that would allow assessing the contribution of the Unemployment Relief Program to the income levels during the crisis caused by the pandemic. Conceptually, however, cash transfers have a direct effect on

income, and a vast economic literature has rigorously demonstrated their impacts on consumption and hence poverty alleviation (IDB 2021).

- 2.14 The specific objective of the project was to support minimum income levels for those affected by the COVID-19 crisis in the immediate period. This objective would be achieved by funding cash transfers to vulnerable population working in the informal sector (that were not in the rosters of transfer programs) and vulnerable population working in the formal sector (that were not on rosters of transfer programs). The outcome indicators aim to measure the contribution of the project to supporting minimum levels of income in the two vulnerable populations.
- 2.15 In order to achieve the first result indicator (see [Table 3](#)), the project allocated US\$ 4,162,500 to cash transfers of the Unemployment Relief Program that would benefit the adult population that was either not working or was working informally when the crisis started, except those that received a pension or transfers from the BOOST. These individuals were expected to receive a biweekly cash transfer of US\$75, for a period of 12 weeks (six transfers, for a total amount of US\$450 per person). This monthly value of this transfers represents about half of the country's minimum wage. The total number of persons in this group (the universe of potential beneficiaries of Component 1) was estimated at 102,451 individuals.
- 2.16 In order to achieve the second result indicator (see [Table 3](#)), the project allocated US\$7,730,100 to cash transfers of the Unemployment Relief Program that would benefit individuals who were previously formally employed and lost their job due to the COVID-19 pandemic. These individuals were expected to receive a biweekly cash transfer of US\$75, for a period of 12 weeks (six transfers, for a total amount of US\$450 per person). This monthly value of this transfers represents about half of the country's minimum wage. A detailed explanation of how applicants were classified as previously formal employee is presented in ¶2.5. The total number of persons in this group (the universe of potential beneficiaries of Component 2) was estimated at 28,400, based on estimates by Altamirano et al. (2020).
- 2.17 The data presented in [Table 1](#) and [Table 2](#) do not allow updating these ex-ante estimates of the size of the target population of each component, as it cannot be disaggregated between formal and informal employment. For the purpose of this report, the achievement of the project will therefore be assessed against ex-ante estimates.
- 2.18 The project also included an item for program administration, evaluation, and auditing, with a budget of US\$107,400.
- 2.19 The design of the project identified the potential risk that the application and payment processes could generate crowding and hence contribute to spreading the COVID-19 virus. As foreseen, the Unemployment Relief Program minimized these risks by: (i) creating an information system that received and processed most of the applications online; and (ii) paying the cash benefits through bank accounts and issuing prepaid bank cards for unbanked beneficiaries. These proved to be best practices in the response to COVID-19.
- 2.20 The project focused on supporting the immediate efforts to protect vulnerable populations from the socioeconomic effects of the COVID-19 pandemic, by avoiding a rapid deterioration of social conditions in the country. The Unemployment Relief Program was implemented as a short-term intervention and did not become a permanent component of the country's social safety net. The IDB project covered a fraction (about 30%) of the budget of the program.

- 2.21 The Unemployment Relief Program was timely as it was implemented at the peak of the crisis caused by the COVID-19 pandemic. At the global level, the reduction in mobility and economic activity rapidly transmitted to the labor market, reducing the employment rate, increasing the unemployment rate, and ultimately affecting incomes.¹ The intensity and duration of these effects were uncertain and were expected to vary across countries and economic sectors. As described previously in the “[Economic crisis](#)” section, in Belize the unemployment rate increased by 3.3p.p., from 10.4% to 13.7%, between September 2019 and September 2020.
- 2.22 Large scale cash transfer programs were necessary to mitigate the socioeconomic effects of the pandemic worldwide, as well as in Latin America and the Caribbean. The implementation of the Unemployment Relief Program in Belize is in line with best practices in the Latin American and Caribbean region, as analyzed by Cejudo et al. ([2021](#)) and Stampini et al. ([2021](#)). Most countries of the region expanded their cash transfers, either increasing the number of beneficiaries of existing programs, or the value of the transfers for the existing beneficiaries or creating new programs. A temporary expansion of cash transfers, such as was implemented in Belize, was a cost-effective way to protect incomes and consumption of the vulnerable population.
- 2.23 Differently from other countries, Belize did not have a large cash transfer program and a social registry characterizing the socioeconomic vulnerability of the population before the COVID-19 pandemic. The BOOST conditional cash transfer program reached only approximately 3,000 households. In the absence of a social registry, the Government quickly identified existing data bases which facilitated the elaboration of clear eligibility criteria (and exclusion lists) to be used while implementing an emergency program with the aim to benefit large segments of the population, covering formal employment, informal employment, and former long-term unemployment. New systems and procedures were put in place for the rapid enrolment of beneficiaries, and electronic payments that at once increased transparency of financial flows and avoided crowding at payment points that could increase the spread of the virus.
- 2.24 The Unemployment Relief Program was executed in two phases, each one lasting 12 weeks. Phase 1 had 45,085 beneficiaries. Phase 2 had 44,438 beneficiaries. These figures cannot be summed to obtain the total number of beneficiaries, as it was possible for a person to apply to both phases. The IDB project covered part of the transfers to 29,688 beneficiaries. The value of the transfers covered by the project represented approximately 30% of the overall cost of the Unemployment Relief Program. The remaining 70% was funded with Government resources.

B. Effectiveness

a. Statement of Project Development Objectives

- 2.25 The Project's General Development Objective was to contribute to ensuring minimum levels of quality of life for vulnerable persons amid the crisis caused by COVID-19. Its Specific Development Objective was to support minimum income levels for those affected by the coronavirus in the immediate period.

b. Results Achieved

- 2.26 As shown in [Table 4](#), the project exceeded the planned results. The weighted average of the ratio between achievement and original target of the different outcomes is 112.3%.

¹ Khamis, M., et al (2021). “The Early Labor Market Impacts of COVID-19 in Developing Countries: Evidence from High-Frequency Phone Surveys. Jobs Working Paper No. 58. World Bank.

- 2.27 **Outcome 1.** The project funded transfers of the Unemployment Relief Program for 9.21% of the population that was either not working or was working informally when the crisis started, except those that received a pension or transfers from the BOOST. This exceeds the planned target of 9.03%. The effect attributable to the project is 102% (Table 4).
- 2.28 The project funded transfers for a higher-than-planned number of beneficiaries (9,438>9,250) (Table 4), for two reasons. First, in some cases only part of the transfers was paid out of project funds, with the rest being covered by the government budget. Second, the budget of Component 1 was increased to absorb the savings achieved under the administrative item (due to the fact that the project coordinator was a civil servant paid out of the Government budget, and no consultant was hired to support program administration). Of the 9,438 beneficiaries, 58.5% were males, and 41.5% were females.
- 2.29 **Outcome 2.** The project funded transfers of the Unemployment Relief Program for 71.3% of the estimated number of adult individuals that worked formally when the crisis started, and that lost their job due to the COVID-19 pandemic. This exceeds the planned target of 60.49%. The effect attributable to the project is 117.9% (Table 4).
- 2.30 The project funded transfers for a higher-than-planned number of beneficiaries (20,250>17,178) (Table 4), as in some cases only part of the transfers were paid out of project funds, with the rest being covered by the government budget. Of the 20,250 beneficiaries, 56.1% were males, and 43.9% were females.

Table 4. Results Matrix (Approval, Initial Plan and Closure)

Indicator (outcomes)	Unit of measure	Baseline	Baseline year	Final target (Year 1)	% Target		Observations
Specific Objective #1. To support minimum income levels for those affected by the coronavirus in the immediate period							
R.1.1. Percentage of adult population (aged 18+) not formerly formally employed, receiving pension, or transfers from the Building Opportunities for Our Social Transformation (BOOST), that receive support from the Unemployment Relief program.	Percentage (%)	0.00	2020	P	9.03	102	Numerator: 9,250 y 9,438; number of beneficiaries of component 1 of the project. Denominator: 102,451. Estimated ex-ante, equal to the total adult population (233,975 Belizean citizens older than 18), minus the number of formal employees (110,937 active insured persons, measured in December 2019), minus the number of beneficiaries of a pension (13,244 recipients of a contributory pension (includes retirement, invalidity, survivors, disablement and death) + 1,343 recipients of a non-contributory pension, both measured in January-February 2020, for a total number of 14,587), minus the number of beneficiaries of BOOST (6,000).
				P(a)			
				A	9.21		
R.1.2. Percentage of individuals who were formerly formal workers and lost their job due to the COVID-19 pandemic, that receive support from the Unemployment Relief program.	Percentage (%)	0.00	2020	P	60.49	117.9	Numerator: 17,178 y 20,250, number of beneficiaries of component 2 of the project. Denominator: 28,400. Estimated ex-ante equals 25.6% of the number of formerly formal employees (110,937, measured in December 2019). 25.6% is the loss of jobs due to the COVID pandemic estimated for Belize (Altamirano et al, 2020).
				P(a)			
				A	71.30		

Output	Unit of measure	Baseline	Baseline year	Final target (Year 1)		% Target	Means of verification
Component #1. Protection for the vulnerable population not on the rosters of transfer programs, working in the formal and informal sector.							
P.1.1. Adult individuals (18+) not formerly employed, receiving a pension, or transfers from the Building Opportunities for Our Social Transformation (BOOST), receive support from the Unemployment Relief program.	Number of individuals	0.00	2020	P	9,250	102	Final Progress Report BL-L 1034; 5056/OC-BL
				P(a)	9,250		
				A	9,438		

Output	Unit of measure	Baseline	Baseline year	Final target (Year 1)		% Target	Means of verification
P.1.2. Individuals who receive cash transfers from the Unemployment Relief Program are formerly formal workers (active insured persons).	Number of individuals	0.00	2020	P	17,178	117.9%	Final Progress Report BL-L1034; 5056/OC-BL
				P(a)	17,178		
				A	20,250		

Source: Own elaboration

c. Counterfactual analysis

- 2.31 As planned in the Monitoring and Evaluation Annex of the project, and in line with the provisions of the IDB Group's Governance Response to the COVID-19 Pandemic Outbreak (GN-2996), the attribution of results is assessed through a before-and-after analysis. The counterfactual analysis of the project is conducted by analyzing the level that the outcome indicators would have reached without the whole Unemployment Relief Program, of which IDB financing represented about 30% of the total budget (with no support from other international financial institutions or donors), rather than in the absence of the Bank-financed project. Given the small size of the BOOST conditional cash transfer program, and the lack of a large social registry in Belize, it is reasonable to argue that no income support could have been rapidly provided to the vulnerable population without the creation of the Unemployment Relief Program. Without this program, both the coverage of the population that was either not working or was working informally when the crisis started, except those that received a pension or transfers from the BOOST (specific objective 1), and the coverage of adult individuals that worked formally when the crisis started (specific objective 2) would have been null. All achieved coverage is attributable to the implementation of the Unemployment Relief Program.

d. Unexpected results

- 2.32 The project had no unexpected results.

C. Efficiency

- 2.33 The ex-post Cost-Benefit Analysis (see [OEL#1](#)) that replicates the one developed during project preparation estimates a Net Present Value (NPV) of US\$2,568,845, an Internal Rate of Return (IRR) of 20.2%, and a benefit-cost ratio of 1.2 in the base scenario, which considers a discount rate of 5% and fiscal multiplier effectiveness of 80%. These results suggest that the cash transfers of the Unemployment Relief Program supported by the project were economically beneficial. The ex-ante cost-benefit analysis yielded a NPV of US\$2,004,314, an IRR of 17.3%, and a cost-benefit ratio of 1.2 in the baseline scenario, which also considered a 5% discount rate and fiscal multiplier effectiveness of 80%.
- 2.34 The results of the economic analysis are driven by the multiplier effect of the liquidity injected in the economy and the related increase in consumption. The multiplier measures the "cumulative" impact that increased public spending has on an economy with unemployed resources. Its value depends on the economy's marginal propensity to consume and marginal propensity to import. Since households received the transfers only for up to six months (three months in Phase 1 of the Unemployment Relief Program, three months in Phase 2), the potential rise in productive capacity resulting from expanded demand (or accelerator effect), which would further increase the multiplier effect, was not considered.
- 2.35 Other benefits that may be important were not considered in the analysis due to lack of data. These include the value of the prevented loss of human capital caused by consumption smoothing, as well as the value of the lives potentially saved by reducing the rate of transmission of COVID-19 as an effect of the facilitation of social distancing measures. The results of the cost-benefit analysis are therefore conservative.
- 2.36 The parameters used in the ex-post Economic Analysis are presented in [Table 5](#).

Table 5. Cost-benefit analysis (assuming multiplier effectiveness of 80%)

Discount rate (sensitivity analysis)	0%	5%	12%
Transfers to individuals in the informal market			
NPV (US\$)	859,633	816,652	756,477
Benefit:Cost ratio	1.2	1.2	1.2
MIRR	1.2%	6.0%	12.5%
IRR	20.2%	20.2%	20.2%
Transfers to individuals in the formal market			
NPV (US\$)	1,844,414	1,752,193	1,623,084
Benefit:Cost ratio	1.2	1.2	1.2
MIRR	1.2%	6.0%	12.5%
IRR	20.2%	20.2%	20.2%
Total			
NPV (US\$)	2,704,047	2,568,845	2,379,562
Benefit:Cost ratio	1.2	1.2	1.2
MIRR	1.2%	6.0%	12.5%
IRR	20.2%	20.2%	20.2%

Source: Own elaboration.

- 2.37 [Table 6](#) shows the results of the sensitivity analysis that considers two alternative values of the fiscal multiplier effectiveness (75% and 85%). Results are sensitive to variations in this parameter. However, even in the worst-case scenario, the project shows favorable results with a benefit-cost ratio of 1.1, an IRR of 12.7%, a MIRR of 5.5%, and a total NPV of US\$ 1,615,066.

Table 6. Sensitivity analysis based on the multiplier effectiveness factor (assuming a discount rate of 5%).

Multiplier effectiveness (sensitivity analysis)	75%	80%	85%
Transfers to individuals in the informal market			
VPN (US\$)	513,439	816,652	1,119,864
Benefit:Cost ratio	1.1	1.2	1.3
MIRR	5.5%	6.0%	6.4%
IRR	12.7%	20.2%	27.8%
Transfers to individuals in the formal market			
VPN (US\$)	1,101,626	1,752,193	2,402,760
Benefit:Cost ratio	1.1	1.2	1.3
MIRR	5.5%	6.0%	6.4%
IRR	12.7%	20.2%	27.8%
Total			
VPN (US\$)	1,615,066	2,568,845	3,522,624
Benefit:Cost ratio	1.1	1.2	1.3
MIRR	5.5%	6.0%	6.4%
IRR	12.7%	20.2%	27.8%

Source: Own elaboration.

- 2.38 [Table 7](#) presents the parameters of the economic analysis, showing minimum differences from the original plan. Differences can be observed in the number of beneficiaries, due to the fact that the project funded only part of the transfers for some beneficiaries, and this resulted in a higher number of beneficiaries covered with the same budget. This variation, however, does not affect the results of the economic analysis, which depend fundamentally on the total value of the transfers, and their multiplier effect. The differences

between the results of ex-post and ex-ante economic analysis are therefore driven by the reallocation to cash transfers of savings in administrative costs. More specifically, savings of US\$82,082 were redirected to cash transfers for individuals that were unemployed or working informally when the crisis started (component 1). Consequently, instead of an original allocation of US\$4,162,500, component 1 had a total budget of US\$4,244,582 (Table 7 and Table 8).

Table 7. Parameters used for ex ante and ex post economic analysis

Variables	Ex ante		Ex post	
	Informal workers	Formal workers	Informal workers	Formal workers
Number of beneficiaries	9,250	17,178	9,438	20,250
Transfer value (USD, monthly)	150	150	150	150
Duration of the benefit (average number of months per beneficiary, funded by the IDB project)	3	3	3	3
Marginal propensity to consume (World Development Indicators, last updated 04/09/2020)	74.0%	74.0%	74.0%	74.0%
Marginal propensity to import (World Development Indicators, last updated 04/09/2020)	73.8%	73.8%	73.8%	73.8%
Adjusted fiscal multiplier	1.50	1.50	1.50	1.50
Discount rate	5%	5%	5%	5%
Multiplier effectiveness	80%	80%	80%	80%
Total Cost	4,162,500	7,730,100	4,244,582	7,730,100
Total administrative cost		107,400		25,318

Source: Own elaboration.

Table 8. Project Cost (US\$)

Component			2020	2021	Cost
1	Protection for the vulnerable population not on the rosters of transfer programs, working in the informal sector	4,244,582.00			
1.1	Adult individuals (aged 18+) not formerly formally employed, receiving pension, or transfers from the Building Opportunities for Our Social Transformation (BOOST), that receive support from the Unemployment Relief program	P	4,162,500.00	0.00	4,162,500.00
		P(a)	4,162,500.00	0.00	4,244,582.00
		A	4,244,582.00	0.00	4,244,582.00
2	Protection for the vulnerable population not on the rosters of transfer programs, who worked in the formal sector	7,730,100.00			
2.1	Individuals that receive cash transfers from the Unemployment Relief Program, being formerly formal workers (active insured persons)	P	7,730,100.00	0.00	7,730,100.00
		P(a)	7,730,100.00	0.00	7,730,100.00
		A	7,730,100.00	0.00	7,730,100.00
Other Cost			2020	2021	Cost
Administration or other contingencies (evaluation and auditing)		P	107,400.00	0.00	107,400.00
		P(a)	107,400.00	92,400.00	107,400.00
		A	15,000.00	10,318.00	25,318.00
Total			2020	2021	Cost
Total Cost		P	12,000,000.00	0.00	12,000,000.00
		P(a)	12,000,000.00	92,400.00	12,082,082.00
		A	11,989,682.00	10,318.00	12,000,000.00

D. Sustainability

a. General Sustainability Aspects

- 2.39 The sustainability of the results of the project is assessed as satisfactory. The project focused exclusively on supporting the immediate efforts to protect vulnerable populations from the socioeconomic effects of the COVID-19 pandemic, by avoiding a rapid deterioration of social conditions in the country. The Unemployment Relief Program was a short-term intervention and was not designed to become a permanent component of the country's social safety net. The loan represented a fraction of the financial effort made by the country.
- 2.40 In addition to the above mentioned financial considerations, sustainability should also be analyzed in terms of the capacity generated for responses to future shocks. It is reasonable to predict that countries globally will face new crises, due to a range of reasons that include pandemics and extreme weather events exacerbated by climate change, among others. It is therefore key to dispose of tools (registries of beneficiaries, payment mechanisms) and programs that can be activated in the event of a future emergency.
- 2.41 The Unemployment Relief Program in Belize created an innovative system for the enrolment of beneficiaries, collected a large data set of beneficiaries' information, and put in place a mechanism of electronic payments through debit cards. These systems are not currently in use: the enrollment platform (and the data it collected) was employed for the Unemployment Relief Program and is yet to be integrated in a wider social registry, while debit cards have expired and would need to be reissued in case of need. Nevertheless, these information and payment systems can be adapted to respond to future crisis and exploited to improve beneficiary identification for the BOOST and other government cash transfer programs.

b. Environmental and Social Safeguards

- 2.42 The project did not finance any physical infrastructure and had no adverse environmental or social effects. On the contrary, as discussed in previous sections of this document, the project supported income of a large share of the country's population during the socioeconomic crisis caused by the COVID-19 pandemic. The analysis of beneficiary data confirms that the distribution of the beneficiaries was fairly balanced across genders and districts (which can be considered a proxy for ethnicity) (See [Table 9](#) and [Table 10](#)). In accordance with Directive B.3 of the Bank's Environment and Safeguards Compliance Policy (OP-703), the operation was classified as Category "C".

Table 9. Beneficiaries of the Unemployment Relief Program, Phase 1, by location and gender

District	Male	Female	Not Stated	Total
Belize	7,073	7,448	9	14,530
Cayo	5,213	4,498	2	9,713
Corozal	3,899	3,398	4	7,301
Orange Walk	3,228	2,898	1	6,127
Stann Creek	2,183	2,019	3	4,205
Toledo	1,465	1,148	-	2,613
Not Available	293	302	1	596
Total	23,354	21,711		45,085

Table 10. Beneficiaries of the Unemployment Relief Program, Phase 2, by location and gender

District	Male	Female	Not Stated	Total
Belize	6,887	6,662		13,549
Cayo	5,036	4,731		9,767
Corozal	3,933	4,114		8,047
Orange Walk	2,914	3,247		6,161
Stann Creek	2,099	2,004		4,103
Toledo	1,483	1,328		2,811
Total	22,352	22,086		44,438

III. NON-CORE CRITERIA

a. Bank Performance

- 3.1 The Bank had a satisfactory performance during project preparation and supervision. Technical dialogue during project preparation: (i) ensured that the project fully aligned with the country needs to respond to the intense socioeconomic effects of the crisis caused by the pandemic; (ii) monitored that applications were fairly distributed across genders and districts, including those with higher share of indigenous and non-English speaking populations.
- 3.2 Both preparation and disbursement were rapid, in accordance with the country's financing needs. Administrative costs were minimized, allowing for more than 99% of the project budget to be allocated to the cash transfers of the Unemployment Relief Program. The Bank also funded the information system used for the enrolment of beneficiaries and provided support for the development of a project operations manual.

b. Borrower Performance

- 3.3 Though the Ministry of Human Development, Social Transformation and Poverty Alleviation was the named executing agency, the execution of this project involved several ministries, departments, and agencies. For example, the Social Security Board, the Ministry of Finance, the Central Information Technology Office, the Economic Oversight Team, the Belize Tourism Board, amongst others, cooperated intensely in the verification of eligibility of the applicants, beneficiary registration and implementation of payments (see ¶2.4 and ¶2.5). Inter-agency coordination was crucial to the successful execution of this project.
- 3.4 The Ministry of Human Development, Social Transformation and Poverty Alleviation had a satisfactory performance during project design and execution. One staff of the Ministry of Finance with previous experience in development finance institutions' projects was assigned to serve as project manager and coordinated the flow of information across different government's stakeholders. This allowed for a more than satisfactory disbursement timeline. However, some delays were experienced in reporting, due to the small size of the project implementation unit. Based on this experience, it is recommended that future operations count on a full-time project manager and a monitoring and evaluation specialist with full access to beneficiaries' information. This will allow a more rapid justification of expenses and a shorter closing period.

c. Findings and Recommendations

- 3.5 Based on the analyses and conclusions presented in this document, [Table 11](#) summarizes the main findings and presents recommendations for future shock responsive social protection interventions.

Table 11. Findings and recommendations

Findings	Recommendations
Dimension 1 – technical/sectoral	
The implementation of the temporary Unemployment Relief Program allowed providing income support in times of crisis to a large share of Belize's population. This required: defining selection criteria and exclusion lists, taking advantage of existing data on formal employment; putting in place new information systems and procedures for beneficiary registration (that allowed rapid enrollment) and electronic payments. These criteria, systems and procedures represent a useful legacy to respond to future shocks.	<p>There is an opportunity to document and take stock of the successful experience with the use of temporary transfers to design a permanent shock-responsive social protection strategy, possibly under the leadership of the Ministry of Human Development, Social Transformation & Poverty Alleviation. The implementation of this strategy can leverage the information systems and the procedures created for the Unemployment Relief Program.</p> <p>It is also recommended that the country consolidates the different data sets of beneficiaries (BOOST, pensions, temporary COVID transfers), and leverages the information system created by the Unemployment Relief Program for beneficiary enrollment, to create a single registry. In times of crisis, this registry can be used to prioritize beneficiaries of shock responsive programs.</p>
Dimension 2: risk management	
Due to the small size of the project implementation unit, some delays were experienced in reporting as the unit had to manage both preexisting and new reporting functions.	It is recommended that future operations count on a full-time project manager and a monitoring and evaluation specialist with full access to beneficiaries' information. This will allow a more rapid justification of expenses and a shorter closing period.

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Project Completion Report
Support to Safety Nets for Vulnerable Populations Affected by Coronavirus in Belize. BL-L1034

Development Effectiveness Summary		
<i>I. Development Effectiveness - Core Criteria</i>		
<i>Recommended overall rating:</i>	<i>Highly successful</i>	
		Weight
1. Relevance	4.00	20%
2. Effectiveness	4.00	40%
% of outcomes that were achieved	100.0%	
% of outputs that were achieved		
3. Efficiency	4.00	20%
4. Sustainability	4.00	20%
<i>II. Development Effectiveness - Non core Criteria</i>		
Bank's Performance	Satisfactory	
Borrower's Performance	Satisfactory	