

INTER-AMERICAN DEVELOPMENT BANK
MULTILATERAL INVESTMENT FUND

BELIZE

**ECOMICRO - BCUL GREEN FINANCE FOR MSMEs IN THE
AGRICULTURAL AND FISHERIES SECTORS**

BL-T1112

**ECOMICRO PROGRAM FACILITY (RG-O1649)
DOCUMENT FOR PROJECT APPROVAL**

PROJECT DOCUMENT

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PROJECT SUMMARY

BCUL – Green Finance for MSMEs in the Agricultural and Fisheries Sectors BL-T1112

Belize is among the most disaster-prone countries in the world. The confluence of factors such as high concentration of the population along the low-lying coastal areas, the exposure of its major city, and the reliance of the economy on natural resources, makes the country highly vulnerable to hurricanes, tropical storms, flooding, and sea level rise. The agriculture and fisheries sector - the second largest in Belize – is particularly vulnerable to adverse weather events. This heightened vulnerability to extreme weather and climate change risks bears significant impact on livelihoods, food security, infrastructure, and economic activity.

The objective of this EcoMicro Project is to finance adaptation technologies and methodologies that build climate resilience of Micro, Small and Medium Enterprises (MSMEs) in the agriculture and fisheries sectors of Belize. Increasing climate resilience will reduce vulnerability resulting in overall improved productivity. The project, along with targeted green finance products, will implement a risk modeling framework to evaluate the impacts of climate change on the Financial Institutions' (FIs) loans portfolios and elaborate greening policies to reduce environmental impact. The project is innovative as it will introduce adaptation finance targeted to MSMEs in the agricultural and fisheries sectors for the first time in Belize.

The Executing Agency for this project is the Belize Credit Union League Ltd. (BCUL), a non-profit association of credit unions established in June 1956 to promote the development of its members credit unions in Belize. It is expected that the project will directly benefit 380 MSMEs in the agriculture and fisheries sectors, across three of BCUL's seven credit union (CU) affiliates spanning four of Belize's Six Districts: St Francis Xavier Credit Union in Corozal and Belize Districts; Saint Martin's Credit Union in the Cayo District; and Toledo Teachers Credit Union in the Toledo District. The project will also benefit 113 managerial, technical and support staff that belong to BCUL and the participating CUs, through training and capacity-building in areas relating to the key components of the project. The potential to scale this pilot across the remaining regions of Belize is evident and will be guided by the development of a scale strategy post-pilot.

Together with other EcoMicro projects, the MIF expects to expand its knowledge of climate change resilience interventions through partnerships with FIs and other key actors in the ecosystem. This project will demonstrate how FIs can best support MSMEs to adapt to the effects of climate change through market-based green finance solutions, thereby building greater climate resilience in the long-run. It aims to accomplish its objective specifically through: (i) design and implementation of green finance products; (ii) analysis of the vulnerability of the FIs loan portfolio to climate change; (iii) elaboration of an institutional greening policy; and (iv) strategic knowledge management for public policies and private-sector scalability.

This project is well-aligned with the overall IDB Group's goals on addressing climate change and environmental sustainability as well as the IDBG Institutional Strategy (2010-2020) whose policy objective is to accelerate economic and social development in a sustainable way, through increasing productivity and innovation. The project is also aligned to the IDB's (extended) Country Strategy for Belize 2013-2018 to, inter-alia, promote private sector development, sustainable export-led growth and incorporate as a cross-cutting issue, climate change, disaster risk management and environment across the wider portfolio. The project is aligned directly to the primary objective of promoting the earning potential of the mostly poor indigenous populations and ensuring greater reliance to the effects of climate change.

ANNEXES

ANNEX I	Results Matrix
ANNEX II	Draft Milestones Table

AVAILABLE IN THE TECHNICAL DOCUMENTS SECTION OF MIF PROJECT INFORMATION SYSTEM

ANNEX III	Diagnostic of Needs of the Executing Agency (DNA) [includes Integrity Due Diligence Analysis]
ANNEX IV	Reporting Requirements and Compliance with Milestones and Fiduciary Arrangements
ANNEX V	Procurement Plan

ACRONYMS AND ABBREVIATIONS

BCUL	Belize Credit Union League
CBA	Country Office in Barbados
CBL	Country Office in Belize
CCB	Country Department Caribbean
CJA	Country Office in Jamaica
CEO	Chief Executive Officer
CSD	Climate Change and Sustainability Division
CU	Credit Union
DNA	Diagnostic of Executing Agency Needs
EA	Executing Agency
EE	Energy Efficiency
FI	Financial Institution
GAC	Global Affairs Canada
GDP	Gross Domestic Product
GHG	Greenhouse Gas
IDB	Inter-American Development Bank
IDB Invest	Inter-American Investment Corporation
IDBG	Inter-American Development Bank Group
LAC	Latin America and the Caribbean
LICU	La Inmaculada Credit Union
MIF	Multilateral Investment Fund
MSME	Micro, Small and Medium Enterprise
NDF	Nordic Development Fund
PC	Project Coordinator
PEU	Project Executing Unit
PSG	Project Specific Grant
PSR	Project Status Report
RE	Renewable Energy
SFXCU	St Francis Xavier Credit Union
SIRDI	Sugar Industry Research and Development Institute
SMCU	St Martin's Credit Union
SC	Steering Committee
TTCU	Toledo Teachers Credit Union

PROJECT INFORMATION

BELIZE BCUL – Green Finance for MSMEs in the Agricultural and Fisheries Sector BL-T1112

Country and Geographic Location:	Belize: Corozal, Belize, Cayo and Toledo Districts		
Executing Agency:	Belize Credit Union League Limited. (BCUL)		
Focus Area:	Climate Smart Agriculture		
Coordination with Other Donors/Bank Operations:	This project comprises part of RG-O1649, which expanded to the Caribbean the EcoMicro Program RG-M1205 / RG-X1131. It will be financed through resources from Global Affairs Canada, managed under RG-X1131 ATN/CN-15796-RG. The project will be executed in coordination with relevant activities of the IDB Climate Change and Sustainability Division (CSD) in the Caribbean Region. Potential synergies with IDB Invest will be explored for scale on completion of the pilot.		
Project Beneficiaries:	The project is expected to directly benefit 380 MSMEs and train 113 staff belonging to BCUL and the 3 credit union affiliates piloting the green finance product.		
	Counterpart (cash and in-kind):	US\$266,500	31%
	Co-financing from Global Affairs Canada (GAC):	US\$600,000	69%
	TOTAL PROJECT BUDGET:	US\$ 866,500	100%
Execution and Disbursement Period:	36 months of execution and 42 months of disbursement.		
Special Contractual Conditions:	Special conditions precedent to first disbursement will be: (i) execution of the contract with the EcoMicro pre-qualified consulting partner, (ii) appointment of the Project Coordinator; and (iii) appointment of the Steering Committee.		
Environmental and Social Impact Review	This operation was screened and classified as required by the IDB's safeguard policy (OP-703) on 27 June 2018. Given the limited impacts and risks, the proposed category for the project is C.		
Unit responsible for disbursements	COF Belize. The project will be supervised by the MIF Program Team Leader supported by the EcoMicro Team within CCB/CBA, in coordination with the MIF Consultant in the Country Office CCB/CBL and MIF Specialist in CCB/CJA.		

I. INTRODUCTION

- 1.1. **The EcoMicro Program:** The “Green Finance for MSMEs and Low-Income Households: The EcoMicro Program” (EcoMicro) is a US\$ 17 million facility established to pilot green finance for MSMEs (including small farmers) and low-income households in Latin America and the Caribbean (LAC). The goal of the Program is to facilitate green finance as a means to increase access to Renewable Energy/Energy Efficiency (RE/EE) products, and to assist in adaptation to climate change. The purpose of the facility is to support Financial Institutions (FIs) in partnership with key actors in the broader ecosystem to provide new finance instruments to capitalize on opportunities in green financing, while adjusting their risk management models to climate change risk, and incorporating climate impact assessment into their internal policies and operations.
- 1.2. The Program is currently financed with funds from the Multilateral Investment Fund (MIF), co-financed by the Nordic Development Fund (NDF) and Global Affairs Canada (GAC) through Project Specific Grants (PSGs), and local counterpart funds. It is executed by the MIF. It was originally approved on September 20, 2011¹, and was subsequently amended² in 2015 to increase contributions from the MIF and NDF. In 2016, GAC made an additional contribution to increase the outreach of the original program specifically in the Caribbean Region³. GAC-funded Caribbean Projects follow the prescribed modular approach of the EcoMicro Program, which is centered on the execution of three mutually reinforcing and interlocking components⁴. The EcoMicro modular approach was originally approved by the MIF Donor's Committee by Resolution MIF/DE-33/11 on September 20, 2011 (MIF/AT-1143-2) and forms the basis of the Administrative Agreement with GAC for the Caribbean EcoMicro Program, signed on March 21, 2016. In August 2018 the disbursement deadline of the Program was extended until November 30th, 2022.
- 1.3. **Selection of Consulting Firm during Design Phase.** In accordance with *Section C: Execution and Administration of the Program* of the Donors Memorandum for the EcoMicro Program (RG-M1205), the MIF pre-qualified 18 consulting firms as eligible to participate in the Caribbean EcoMicro Program. The selection of a consulting partner by the Executing Agency (EA) to support the design and execution of project activities will occur following this competitive process, following project approval.
- 1.4. This is the **seventeenth EcoMicro project**, the second in Belize, and the second to be funded by GAC through the Operation ATN/CN-15796-RG, Project: RG-X1131 EcoMicro2/EcoMicro3 – Green Finance for MSMEs and Low-Income Households.
- 1.5. **Delegation of Authority to MIF Management for Project Approvals:** The Donors delegated authority to the MIF General Manager for the approval of projects under the EcoMicro Program (MIF-AT-1143-2).

¹ Resolution MIF/DE-33/11 (MIF/AT-1143-2)

² Resolutions DE-89/15 and MIF/DE-38/15 (MIF/AT-2243-3)

³ Resolutions DE-46/16 and MIF/DE-43/16 (MIF/AT-1143-4 and MIF/AT-1143-5 respectively)

⁴ The three intervention areas approved by the MIF Donors Committee and GAC are: (i) design and implementation of the green finance product; (ii) assessment of the institution's loan portfolio vulnerability to climate change; and, (iii) greening the FI through development of environmental guidelines and policies

II. THE PROBLEM

A. Problem Description

- 2.1. Belize is an upper-middle income country located in Central America with a population of 359,000⁵ in 2015, a gross domestic product (GDP) of \$1.7 billion⁶, and a per capita GDP of \$8,029⁷. Poverty remains high at 41%⁸. Climate-sensitive sectors such as small-scale agriculture, fishing, and tourism are mainstays of the economy, and represent the main sources of income and job creation especially among the lower income segments of the population, which are predominantly rural (56% of the total population in 2015).
- 2.2. Belize is among the most disaster-prone countries in the world. The confluence of factors such as high concentration of the population along the low-lying coastal areas⁹, the exposure of its major city, and the reliance of the economy on natural resources, makes the country highly vulnerable to hurricanes, tropical storms and flooding. Average annual losses incurred from natural disasters are equivalent to almost 4 percent of GDP¹⁰.
- 2.3. The agriculture and fisheries sector - the second largest in Belize – is particularly vulnerable to adverse weather events. This heightened vulnerability to extreme weather and climate change risks (floods, droughts, storms, sea level rise, etc.) bears significant impact on livelihoods, food security, infrastructure, and economic activity.
- 2.4. The agriculture and fisheries sector accounted for 15% of GDP and 10% of total employment in 2013¹¹. Agriculture is segmented into three main sub-sectors: (i) the traditional small-scale sector, which produces mainly cash-crops (tomatoes, onions, sweet peppers, and other vegetables), root crops, and beans for domestic consumption; (ii) the export sector, which focuses on sugar, banana, citrus, marine products, and animal feed; and, (iii) the large-scale commercial sector (i.e. Mennonites)¹². Livestock also represents an important sub-sector, with the principal types of livestock being beef cattle, dairy cattle, poultry, and pigs. There is also a growing interest in sheep rearing.
- 2.5. In terms of agricultural output, it is estimated that micro, small and medium sized enterprises (MSMEs) account for over 70% of the main export crops and an even higher percentage of domestic food crops¹³. Overall, agriculture supports the livelihoods of around 11,000 farm families in Belize, 75% of which are small farmers with land holdings less than ten acres¹⁴. Notwithstanding the importance of the agriculture sector in Belize, several factors continue to undermine its resilience:

⁵ World Bank, Belize - Country partnership framework for the period FY18-22 (2018)

⁶ Ibid. (2018)

⁷ Ibid. (2018)

⁸ IDB Country Strategy with Belize 2013-2017 (2013)

⁹ Almost 45% of the total population living at low elevations are particularly vulnerable to storm surges and coastal flooding

¹⁰ World Bank (2018)

¹¹ FAO, Country Programming Framework for Belize: 2011-2015 (2011)

¹² Ibid. (2011)

¹³ Compete Caribbean. Private Sector Assessment of Belize (2014)

¹⁴ UNDP. Belize and Climate Change: The Costs of Inaction (2009)

- 2.6. **Natural Hazards and Climate Change Challenges.** Recurring natural disasters and the effects of climate change, including temperature increases, droughts, flooding, and storms, have significant impacts on agricultural yields, food production, food prices, and the livelihood of the rural population. In 2015 alone, the agriculture sector contracted (year-over-year) by more than 4.5% owing to adverse climate events. A 2015 assessment carried out by the Ministry of Agriculture calculated that extreme weather conditions experienced between August to mid-October 2015 in the Toledo, Stann Creek, Cayo, Belize, Orange Walk, and Corozal Districts affected 4,383 farmers and led to an estimated financial loss of US\$14 million¹⁵. Despite climate-induced reductions in agricultural productivity, lack of climate change information (e.g. long-term weather forecasts and climate impacts) and lack of capacity to adapt to climate variability limit smallholder farmers' ability to respond to climate change in their current and future agricultural production.
- 2.7. **Low adoption of climate-smart agriculture technologies and practices.** Limited agricultural extension services are offered via district administrations and collective associations; where these are available, they insufficiently incorporate climate-resilient best practices. Farmers therefore lack the appropriate information and knowledge on efficient practices such as water management, ag-tech solutions, soil conservation and sustainable land management. Limited on-farm application of such climate-smart technologies and methodologies results in low farm productivity and returns.
- 2.8. **Inadequate level of investment in agricultural adaptation.** Despite the local financial sector experiencing excess liquidity over the past years, there are limited opportunities for farmers to access credit to finance adaptation. This is largely due to a lack of understand of the agriculture sector within FIs, which results in a high risk-aversion among lenders. When credit is available, often inappropriate terms and conditions misaligned to the agriculture cycle are offered, as well as inadequate periods of amortization. In addition, many farmers lack the collateral traditionally required by FIs to secure loans.
- 2.9. **Limited MSME business and financial management skills.** Smallholder farmers often lack adequate business and financial management skills required to both qualify for and effectively manage loans. These include skills such as proper record-keeping, cashflow management, and business plan preparation. Inability to provide lenders with adequate financial data required to assess credit worthiness limits access to finance. This further exacerbates FIs' risk aversion to the sector. De-risking through greater financial and entrepreneurship training and support is an area of need.

B. Project Beneficiaries

- 2.10. The direct beneficiaries of this project are 380 MSMEs in the agriculture and fisheries sectors, across three of BCUL's seven credit union (CU) affiliates¹⁶ spanning four of Belize's Six Districts: 250 beneficiaries from the St Francis Xavier

¹⁵ El Niño Effects on Local Agriculture. Ministry of Agriculture, January 2016.

¹⁶ BCUL's 7 Credit Union affiliates are: Blue Creek Credit Union, Evangel Credit Union, Holy Redeemer Credit Union, Saint Martin's Credit Union, St. Francis Xavier Credit Union, St. John's Credit Union and Toledo Teachers Credit Union.

Credit Union's (SFXCU) 3 branches located in Corozal and Belize Districts; 100 beneficiaries from the Saint Martin's Credit Union (SMCU) located in the Cayo District; and 30 beneficiaries from the Toledo Teachers Credit Union's (TTCU) 2 branches located in the Toledo District. These 3 BCUL CU affiliates account for an aggregate portfolio value of US\$ 59.5 million and an overall client base of 12,946 members.

- 2.11. The project will also benefit 113 managerial, technical and support staff that belong to BCUL and the three participating CU affiliates, 55 of whom are women and 45 who are men. The team comprises 13 Managerial Staff, 87 technical staff (including business development officers, senior loans officers, loans clerks, delinquency control officers, compliance officers), and 13 support staff. Staff will receive technical training and awareness building in areas relating to the key components of the project: design and piloting of green finance, climate vulnerability and risk assessment, and institutional greening.
- 2.12. The SFXCU, SMCU and TTCU will receive specialized technical assistance to design and pilot new green finance products. This will allow them to diversify their product offering, differentiate themselves from other FIs, and attract new clients. BCUL and individual affiliates are increasingly aware of the risks of climate change and its impact on the productivity of its agricultural and fisheries clients.
- 2.13. The SFXCU, SMCU and TTCU will also benefit from institutional capacity building to analyze the vulnerability of its loan portfolio to climate change and incorporate climate risk management into future credit decisions, therefore reducing its portfolio at risk. In addition, the project will enable BCUL and its wider membership to generate energy savings, reduce Greenhouse Gas (GHG) emissions and promote environmental sustainability through the implementation of institutional greening policies and implementation plans to be developed by the consulting partner.

III. THE INNOVATION PROPOSAL

A. Project Description

- 3.1. The objective of this project is to finance adaptation technologies and methodologies that build climate resilience of MSMEs in the agriculture and fisheries sectors of Belize. Increasing climate resilience will reduce vulnerability resulting in overall improved productivity. This project will implement the prescribed modular approach of the EcoMicro Program aimed at building climate resilience of MSMEs and low-income households, through the execution of three mutually reinforcing and interlocking components: (i) design and implementation of the green finance product; (ii) assessment of the institution's loan portfolio vulnerability to climate change; and, (iii) greening the FI through development of environmental guidelines and policies.
- 3.2. **Adaptation finance.** The proposed solution centers on the creation and piloting of adaptation finance that will increase access to climate smart technologies, products and services by farmers and fisherfolk in the northern, western and southern regions of Belize. The project will target micro and small producers mostly engaged in the production of the following: vegetable cash crops (potatoes, carrots, lettuce, tomatoes, herbs, sweet peppers), beans, pepitas, corn, sugar, honey, lobster and conch. Micro and small producers targeted under this project are located in remote

underserved villages, including Spanish speaking communities that are descendants of refugees from Central America, and indigenous Mayan speaking mestizo communities. Remote communities targeted under this project are disproportionately impacted by the effects of climate change given their limited access to agricultural extension services, advanced agricultural technologies and know-how. Improving overall productivity of these micro and small farmers and fishers will have an important developmental impact across targeted communities.

- 3.3. At present, the average size loan for micro and small clients in the agriculture and fisheries sector range as follows: (i) SFXCU: average loan size is between US\$ 7,500 and US\$10,000; (ii) SMCU: loans range between US\$1,500 and US\$1,750; and (iii) TTCU: average loan size is US\$4,000.
- 3.4. **Gender.** Traditionally it is male farmers and fisherfolk that access finance for investments in their businesses, and the proceeds are shared with their respective families. There are however cases where women farmers choose to secure finance independently. The project will conduct an initial assessment of the gender distribution of the portfolio in agriculture and fisheries of each participating CU. The project will also conduct a full gender analysis – using the Toolkit for Mainstreaming Gender in MIF Projects to establish whether specific measures will be needed to address possible gender inequalities during execution.
- 3.5. **Climate Risk Assessment.** The project model will also build capacity of participating CUs to assess the vulnerability of their current portfolio to climate change and integrate climate risk assessment and management into future credit decisions. Vulnerability analysis and risk assessment will be based on review of publicly available climate data sets¹⁷. The project will develop a technology-based risk assessment tool and incorporate this into BCUL participating members' existing loans review processes.
- 3.6. **Institutional Greening.** BCUL and its seven CU affiliates will participate in the institutional greening activities under Component 3 of the project, together they own an aggregate of 13 buildings across all six Districts of Belize. Some CUs have already implemented investments in energy efficient air-conditioners and LED lighting, in the case of SMCU such investments translated into US\$2,245 in savings per month given the reduction in their energy expenditure. BCUL and its broader membership are aware of these benefits, and under this project will allow all 8 to conduct an energy audit and develop institutional greening policies, thereby enabling the realization of greater energy savings and the further reduction of their carbon footprint.
- 3.7. **Innovation.** This project is innovative as it will introduce adaptation finance targeted to MSMEs in the agricultural and fisheries sectors for the first time in Belize. Bridging the current financing gap and boosting the level of green investment will unlock the deployment of climate smart technologies for a previously underserved and vulnerable segment of the private sector, enabling them to realize associated cost savings and productivity improvements. The EcoMicro modular approach is also unique as it incorporates three mutually reinforcing interlocking interventions: (i) design and implementation of the green finance product; (ii) assessment of the

¹⁷ Climate data sets include information available from the Belize National Climate Change Office, Caribbean Community Climate Change Centre, United Nations Framework Convention on Climate Change, Global Climate Scope and the World Bank Climate Change Knowledge Portal

institution's loan portfolio vulnerability to climate change; and, (iii) greening the FI through development of environmental guidelines and policies.

- 3.8. **Knowledge:** The project will serve as an important case study, generating real evidence and best practices on how credit union, membership based FIs, can best support MSMEs in the agriculture and fisheries sectors to adapt to the effects of climate change through market-based green finance solutions in a variety of geographical contexts. As part of the EcoMicro Program facility, this project will benefit from knowledge derived from other EcoMicro projects communicated via periodic Newsletters, as well have access to multiple tools and knowledge products generated across all projects resident in the EcoMicro Library.

- 3.9. **Component I: Design & Implementation of Green Finance Products.** The objective of this component is to design and pilot a green financial product for adaptation that will allow MSMEs to invest in climate smart technologies to build resilience to climate change. The participating CUs will mobilize their balance sheet to finance the pilot loans. This component will include: (i) Landscape Analysis and Market Study, including a Gender Analysis – using the Toolkit for Mainstreaming Gender in MIF Projects; (ii) Review of Technologies and Technology Providers. This is intended to provide the EA with specific technology selection guidance/best practice manuals to help FIs evaluate technology providers; (iii) Building capacity of the climate finance ecosystem. This will require identification, engagement with and capacity building of key local agents such as community groups, local cooperatives, producers' associations, and extension providers, including the Belize Sugar Industry Research and Development Institute (SIRDI), so that they are better positioned to serve MSMEs needs at the community level in the long-run. This will involve stakeholder outreach, community consultations, training of direct beneficiaries, training of trainers, fostering networks and linkages – including with climate smart technology providers and private service providers. This is a particularly key area of need and a key strategy for ensuring long-term potential for scale and sustainability of climate finance post-pilot. (iv) Design and implementation of Green Finance Product; (iv) Elaboration of Operational Guide and Internal Processes for the new green finance product; (v) Training of loans officers and other key staff; (vi) Beneficiary Outreach and Awareness Building among clients on the potential benefits of the new green finance products; (vii) Interim and Final Evaluation of the performance of the green finance product, including implementation of improvements; and, (viii) Scale Strategy, including recommendations for scaling and leveraging of private/donor funds required to scale.

- 3.10. **Component II: Analyzing the Vulnerability of the Finance Institution Loan Portfolio to Climate Change.** Under this component, the loan portfolio of the three participating CUs will be analyzed for vulnerability to climate change. The analysis will include a map of climate change risks (determined based on existing publicly available information and activities under the project), and their specific impact on clients. This will inform the design of a climate risk assessment tool and technological systems/software modules (if necessary) to incorporate analysis of climate risks into future credit decisions. Managerial and technical staff within each of the three CUs will be trained on use of the climate risk management tool and on monitoring climate change impact on future loans. The project will develop accompanying climate risk policies with specific recommended actions to reduce exposure to climate change in each of the CUs. In addition, the project will deliver a series of trainings to disseminate knowledge of the process and outcomes of this

component to BCUL and its wider membership. These trainings will be facilitated by BCUL and aimed to build the capacity of all CU affiliates in this area, with the objective of encouraging their uptake of the climate risk management toolkit, post-pilot.

3.11. **Component III: Reducing the Environmental Impact of the Finance Institution.**

In order to achieve a strong commitment to building resilience to climate change through green finance, this component will design an institutional greening policy and action plan for BCUL and each of the seven affiliate CUs. These will: (i) foster “green” habits among employees and management teams; (ii) establish targets to reduce their overall carbon footprint; and (iii) recommend investments to realize energy savings. The policy will incorporate a methodology to measure the institutional carbon footprint (GHG accounting methodology and a GHG baseline) and an EE baseline and improvements over time. BCUL and the seven CU affiliates will implement the institutional greening policy recommendations at the BCUL Office in Belize City and across all 13 owned facilities of the seven CU affiliates, following approved by their respective Boards.

3.12. **Component IV: Knowledge Management and Communications.** The objective of this component is to capture, synthesize and disseminate the knowledge generated at the project level, including lessons learned, best practices, and key factors of success. One of the main components of the EcoMicro program is directly related to the systematization, documentation and dissemination of the knowledge generated by each of the individual projects under the facility. FIs will participate in knowledge sharing events with other EcoMicro project partners to share experiences and lessons learned. Knowledge products developed by the EA will be disseminated via the EcoMicro Program website and events, including project-specific sub-regional workshops. Developing successful initiatives will be crucial to creating demonstration effects for replication. In addition, this component will generate strategic knowledge for private and financial sector adoption to ensure scalability of this intervention.

3.13. **Plan for Scale:** All EcoMicro pilots that have concluded have gone on to scale. Some institutions have continued to offer loans with their own resources while others have attracted private investment. The potential to scale this pilot will be assessed under the project, subsequently informing the development of a scale strategy post-pilot.

B. Project Results, Measurement, Monitoring and Evaluation

3.14. **Project Results.** By the end of this project the following results are expected: (i) 380 MSMEs in the agriculture and fisheries sectors, adopting climate smart technologies/methodologies; (ii) US\$850,000 in financing mobilized from SFXCU, SMCU and TTCU's balance sheet for adaptation finance by MSME clients; (iii) 113 CU employees trained in adaptation finance; (iv) 100% of participating CU's loan portfolio analyzed for vulnerability to climate change; (v) Portfolio vulnerability reduction plan approved by each of the three CU management; (vi) 100% of facilities owned by BCUL and its seven affiliates have completed energy consumption diagnostics/carbon footprint analysis and are implementing recommendations; and (viii) EA has participated in knowledge sharing events to disseminate best practice and lessons learned.

- 3.15. **Measurement.** The EA will collect and aggregate data provided by each participating CU affiliate. Individual CUs will measure project results using their existing banking software and management information systems. The EA will ensure that data capture systems satisfy reporting requirements under the project and results matrix. Where necessary, additional monitoring and evaluation systems will be developed to generate data for the project. These results will be rolled-up at the programmatic level by the EcoMicro team to allow for donor reporting, in accordance with donor requirements. Data captured will be broken down according to green finance product type, technology type, sub-sector, loan type and value, CU/region and district, number of MSME clients by gender (e.g. women or men led-MSMEs borrowers), beneficiaries or staff trained, strategic partnerships fostered, beneficiaries trained and outreach to stakeholders.
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- 3.16. **Monitoring and Evaluation.** The baseline will be verified during the start of the project with inputs from key assessments to be conducted by the consulting partner, including the market study in Component 1, vulnerability analysis in Component 2 and the institutional greening diagnostic in Component 3. Baseline information will include key ex-ante data such as: (i) current productivity of MSMEs accessing the adaptation finance products; and (ii) GHG emissions and energy costs of BCUL and CU facilities. The EA/Consulting Partner will prepare intermediate progress reports and a Final Report that analyzes the results obtained across all components with audio-visual evidence of beneficiaries (both male and female), technology installations, enhanced on-farm practices/methodologies, and beneficiary training. The Final Report will capture the overall experience and project results, including challenges, lessons learned and best practices. The final report will serve as a key input to the scale plan to be developed by the EA/Consulting Partner. BCUL will report information on scale-up, by the three participating CUs and wider CU membership, one year following completion of the project. Scale data will include number of new loans placed in the market post-pilot, funds mobilized from respective CU balance sheet for scale, private investment for scale, as well as post-pilot maintenance of strategic partnerships and engagement across the broader climate finance ecosystem.
- 3.17. Within the IDB/MIF, the project will be supervised by the MIF EcoMicro Program Team Leader supported by the EcoMicro Team within CCB/CBA, in coordination with the MIF Consultant in the Country Office CCB/CBL and MIF Specialist in CCB/CJA. The Country Office in Belize will retain responsibility for disbursements.
- 3.18. **Reports.** The EA in close collaboration with the consulting partner will be responsible for presenting Project Status Reports (PSRs) within thirty (30) days after the end of each semester, or more frequently as determined by the MIF by providing at least sixty (60) days advance notice to the EA. The PSR will contain information on the progress of project execution, achievement of milestones, and completion of project objectives as stated in the results matrix and other operational tools. The PSR will also describe issues encountered during the execution and outline possible solutions. Within ninety (90) days after the end of the execution term, the EA/consulting partner will submit a Final PSR to the MIF, which will highlight results achieved, project sustainability, evaluation findings, and lessons learned. These reports are necessary to comply with the Program Evaluation Plan that requires annual reports to the Donor's Committee describing the progress, performance and all recorded results.

- 3.19. **Final Evaluation:** A final project evaluation will be carried out on conclusion of the green finance pilot and will include the identification of key factors needed to build a sustainable business case for green finance to building resilience of MSMEs in the agriculture and fisheries sectors to climate change in Belize. Furthermore, the evaluation will include the following aspects: (i) analysis of the experience, impact, lessons learned and best practice derived under this project and post-pilot scale; (ii) details relating to the actual scale achieved post-pilot; and (iii) assessment of both enhanced engagements within and development across the broader climate finance ecosystem. The MIF will commission the evaluation with resources from its contribution under the EcoMicro Program (RG-M1205). The evaluation of EcoMicro Projects may be undertaken individually or in a cluster with other projects.

IV. ALIGNMENT WITH IDB GROUP, SCALABILITY, AND RISKS

A. Alignment with IDB Group

- 4.1. This project is aligned with the IDBG Institutional Strategy (2010-2020) policy objective of accelerating economic and social development in a sustainable way, through increasing productivity and innovation. The project relates directly with the objective to support expansion of new and more sophisticated SMEs - through the facilitation of enhanced use of technology, with the goal to stabilize climate change. It is also directly linked with climate change and environmental sustainability, a cross-cutting issue defined in the Update to the Institutional Strategy 2016-2019.
- 4.2. The project is aligned to the IDB Climate Change Action Plan, approved in December 2017, which calls for the development of innovative financial models and promotion of new technologies to address climate change in the private sector.
- 4.3. According to the 2015 Joint Report on Multilateral Development Banks' Climate Finance tracking, 100% of total funding for this project is invested in climate change mitigation/adaptation activities aimed at encouraging MSMEs to adopt climate change mitigation/adaptation technologies or practices. This contributes to the IDBG's climate finance goal of 30% of operational approvals by year's end 2020.
- 4.4. The project is also in line with IIC Business Plan 2017 - 2019, in particular, the goal to expand access to finance in partnership with FIs to increase investments in MSMEs and green companies, and its broader commitment to help clients build their climate resilience. The EcoMicro Program team within the MIF will work closely with IDB Invest to identify potential partnerships with successful pilot projects for further scale with financing from IDB Invest.
- 4.5. The project supports the overall objective of the IDB's (extended) Country Strategy for Belize 2013-2018 to, inter-alia, promote private sector development, sustainable export-led growth and incorporate as a cross-cutting issue, climate change, disaster risk management and environment across the wider portfolio. The project is aligned directly to the primary objective of promoting the earning potential of the mostly poor indigenous populations and ensuring greater reliance to the effects of climate change.
- 4.6. The project complements the Government of Belize's overall development strategy as outlined in the National Development Framework for Belize: Horizon 2030, which is centered on achieving economic resilience, building a strong small business

sector, promoting productivity and competitiveness, and ensuring environmental sustainability. Horizon 2030 specifically recognizes the importance of driving growth of sustainable agricultural production, increasing access to finance for farmers and promoting investments in agricultural technology. In addition, the project supports the Government of Belize's medium-term economic development plan, the Growth and Sustainable Development Strategy (2016-2019), which incorporates building climate resilience, sustainable management of natural capital and improving agricultural production and efficiency through sustainable and climate-smart best practices.

- 4.7. The project will be executed in collaboration with the ongoing EcoMicro Project in Belize: *Improving Livestock Sector Productivity and Climate Resilience (BL-T1094)*, being executed by the Belize Livestock Producers Association. BL-T1094 aims to "develop sustainable best practices and intensive climate-smart production technologies for small and medium cattle farmers, aimed at increasing their productivity and reducing both their climate change vulnerability and CO2 emissions." Under this operation, 250 cattle farmers will be trained in climate-smart livestock management and 150 new green finance loans, tailored to the sector, will be piloted in the market by La Inmaculada Credit Union (LICU). BCUL and LICU both commit to exploring synergies during execution. Such activities would include jointly offering staff training and capacity building, sharing knowledge and best practices.

B. Scalability

- 4.8. Post-pilot, BCUL will play a key role in fostering scale through the dissemination of knowledge on best practices and lessons learned under the pilot to its wider membership. Meanwhile, CUs participating in the pilot will endeavor to scale adaptation finance across their wider portfolio as well as attract new clients. Roll-out of the adaptation finance product represents a key opportunity for the CU league as it seeks to position itself as a leading change agent and development partner in rural communities. To achieve this goal the CU have recognized the need to participate more actively in the agricultural and fisheries sectors, particularly in underserved communities.
- 4.9. BCUL's EcoMicro consulting partner will facilitate scale through: (i) completion of requisite analysis to support a scale strategy, including demand projections and financial analysis based on the results of the pilot; (ii) preparation and presentation of the scale strategy to the respective Boards of participating CUs for approval; and (iii) training of all technical staff within the three CUs and wider league membership to ensure readiness for scale.
- 4.10. During the project, BCUL's EcoMicro consulting partner will develop a logo, branding and marketing strategy for the new green finance product. The marketing strategy will incorporate events and PR materials to facilitate the national launch of the new green finance products.
- 4.11. Once the pilot has successfully concluded, the EcoMicro Program can support efforts to scale by linking the project partner with IDB Invest and other relevant micro-finance funds for potential financing for scale.

C. Project and Institutional Risks

- 4.12. **Limited appetite among MSMEs for green financing.** The project will address potential limited demand by devoting significant resources to an initial market study to support product design, including a review of climate risks, relevant adaptation technologies and technology suppliers. This will help to determine specific needs of farmers and fisherfolk and develop tailored adaptation finance that builds their climate resilience. In addition, continuous assessments and a final evaluation of the performance of the adaptation loans in the market will be prepared with a view to making necessary adjustments to scale post-pilot.
- 4.13. **Weak ecosystem for climate finance:** specific activities are foreseen at the local level to address weakness in the ecosystem. The project will identify and develop the capacity of strategic local partners to offer technical training and extension support to farmers and fisherfolk in order to build demand for and maximize the impact of investments in climate smart technologies. This will be complemented with direct outreach and training within beneficiary communities to stimulate demand for the new climate finance products. Together these interventions are intended to strengthen actors in the ecosystem, establish linkages and partnerships and increase the long-term potential for scale and sustainability of climate finance post-pilot.
- 4.14. **Lack of business and financial management skills.** BCUL and participating CU affiliates will partner with key agents such as the Small Business Development Centre to extend training to smallholder farmers and fisherfolk on business and financial management. Specific areas of skills development will include record-keeping, cashflow management, and business plan preparation. Ensuring the delivery of financial literacy training via established service providers will not only enable efficiencies gains during project execution but will also encourage longer-term sustainability of service delivery as a result of new partnerships piloted under the project
- 4.15. **Limited number of climate smart agriculture technology suppliers.** The market is dominated by a limited number of key suppliers and their respective distribution agents. Given that new green finance will result in an increase in the demand for adaption technologies by MSMEs, the project will seek to establish alliances between CUs and leading suppliers to ensure that this increasing demand can be met. In addition, the market study will assess the potential for CUs to encourage new technology entrants and distributors into the local market, through tailored products to finance green suppliers.

V. INSTRUMENT AND BUDGET PROPOSAL

- 5.1. The project has a total cost of *US\$866,500*, of which *US\$600,000 (70%)* will be provided by GAC, and *US\$266,500 (30%)* by the counterpart consisting of cash and in-kind contributions. The expected execution period for this Project is 36 months and the expected disbursement period is 42 months. The project budget does not allocate resources for Contingencies, Audit and Evaluations, as these are already covered in the budget by the broader Program (RG-M1205/RG-X1131).

- 5.2. This project falls under the EcoMicro Program Facility (RG-O1649). The instrument to be used is non-reimbursable, given that most of the knowledge generated by this project is considered a public good.
- 5.3. The retroactive recognition of Counterpart funds is not applicable under this operation.

Table 1: Project Budget

Project Categories	GAC	Counterpart*	Total
Component 1: Design & Implementation of Green Finance Products	410,000	51,000	466,000
Component 2: Analyzing the Vulnerability of the Loan Portfolio to Climate Change	100,000	33,600	133,600
Component 3: Reducing the Environmental Impact of the Finance Institution	45,000	40,900	90,900
Component 4: Knowledge Management and Communications Strategy	45,000	25,000	60,000
Project Administration	0	116,000	116,000
Grand Total	600,000	266,500	866,500
% of Financing	69%	31%	100%

* 50% of Counterpart will be in-cash and 50% in-kind

VI. EXECUTING AGENCY (EA) AND IMPLEMENTATION STRUCTURE

A. Executing Agency(s) Description

- 6.1. The EA for this project will be the **Belize Credit Union League Limited**, a non-profit service organization established in June 1956 for its member CUs, which acts to further the Credit Union movement's common interests through advocacy, bulk purchasing, and training for the benefit of its members. Its primary purpose is to promote the development of credit unions in Belize and to make CU services available to as broad a cross section of the population as possible. Belize possesses a comprehensive regulatory framework that governs the supervision and regulation of banks, CUs and other FIs in the financial system. The Credit Union Act designates the Governor of the Central Bank of Belize as the Registrar of CUs and allows for the supervision of CUs. All of BCUL's seven CU affiliates are supervised by the Central Bank of Belize. Under this project, three of BCUL member CUs will participate in all project components, while BCUL's seven members will participate in Component (iii) Reducing the Environmental Impact of the Finance Institution.
- 6.2. **St. Francis Xavier Credit Union Ltd.**, a financial cooperative founded in 1947. St. Francis Xavier Credit Union is the 2nd largest credit union in Belize, serving over 22,000 members across 4 branches in the Corozal and Belize district. Their total portfolio is valued at US\$40 MN, of which US\$10 MN (25%) consists of loans to the agriculture sector. There are 6,563 agriculture loans on the portfolio at present, and these are primarily to the sugarcane industry, with some loans also directed to the fisheries, animal husbandry (sheep, poultry, pigs, cattle), and vegetable (corn, soya, onion, beans) sub-sectors. The average agriculture loan size is between US\$7,500 and US\$10,000.

- 6.3. **Saint Martin's Credit Union**, a financial cooperative that has been serving the Cayo District since 1949. As of March 2018, SMCU has 9,000 members, which it serves through its head office in San Ignacio and its new branch office located in Beneque Viejo del Carmen. Their total portfolio is valued at US\$6 MN, of which US\$46,000 (0.8%) consists of loans to the agriculture sector. There are 26 agriculture loans on the portfolio at present. These are primarily to the vegetable sub-sector, including for potato, beans, corn, sweet peppers, peanuts, and carrots. The average agriculture loan size is between US\$1,500 and US\$1,750.
- 6.4. **Toledo Teachers Credit Union**, a financial cooperative operating since 2000 in the Toledo District. As of March 2018, TTCU's total portfolio is valued at US\$8.5 MN, of which US\$356,000 (4%) consists of loans to the agriculture sector. There are 89 agriculture loans on the portfolio at present. The average loan size is US\$4,000.
- 6.5. BCUL has an ongoing project with the MIF, "Inclusive Savings with Shared Agents" (BL-M1009), a Technical Cooperation grant of US\$375,000. The objective of this project is to enhance access to financial services, particularly in rural areas, by developing appropriately designed savings products and incentives at participating credit unions.
- 6.6. With 62 years of experience in the microfinance sector and a membership that covers all of the credit unions in Belize, BCUL is a strong local partner for EcoMicro, with the capacity to significantly scale green finance post-pilot.

B. Implementation Structure and Mechanism

- 6.7. BCUL's Executive Director will have overall responsibility for the oversight of this project, including final approval of key deliverables by the consulting partner. As part of the necessary structure to execute project activities and manage project resources effectively and efficiently, the Executive Director will appoint a Project Coordinator (PC) with responsibility for the day-to-day management and coordination of activities. Under the PC, there will be an Administrative Officer who will carry out tasks relating to the coordination of administrative and logistical arrangements. The PC shall report to a Steering Committee (SC), chaired by the Executive Director, and established specifically to provide oversight of this project. Members of the SC will comprise 2 persons from each of BCUL's Member CUs that will pilot the project, the General Manager and the dedicated Focal Point. The SC will meet once per month in person or via video-conference.
- 6.8. The PC will ensure effective coordination of all logistics as well as overall project administration and record keeping. The PC with support from the consulting partner will have responsibility for the preparation of all reporting requirements, including bi-annual PSRs that will provide progress on project implementation to the MIF. The PC will be based at BCUL's Office in Belize City.
- 6.9. The PC will be responsible for the overall supervision and management of consulting partner contract, including approval of mission dates, events/workshops, trainings, scheduling of deliverables, coordination with individual team members, preparation of field logistics, facilitation of engagement with local stakeholders, mobilization of counterpart resources and facilities to support contract execution.

- 6.10. The PC will report directly to the Executive Director and to regular meetings of the wider Steering Committee. The PC will be responsible for the strategic planning and supervision of the project. Periodic reporting to BCUL's Board will be required during execution. Required reports, analysis and/or presentations will be facilitated, where relevant, by the consulting partner. The PC will review and ensure quality control of all reports and deliverables prior to submission to the Executive Director. The Executive Director will have responsibility for approval of all final deliverables/reports.
- 6.11. The three Member CUs participating in the pilot will be responsible for the day-to-day administration of the project at the level of their respective CUs and will each appoint a Focal Point and a project steering sub-committee to ensure effective coordination of all logistics as well as overall project administration and record keeping. This will involve coordination with internal team members, preparation of field logistics, facilitation of engagement with local stakeholders, and mobilization of counterpart resources and facilities to support contract execution. The focal point will report to their respective Boards and to the PC.
- 6.12. At **St. Francis Xavier Credit Union**, the Head Office Manager will serve as the Focal Point and will also form part of the project steering sub-committee along with the Senior Loans Officer and the Micro-Finance Field Officer.
- 6.13. At **Saint Martin's Credit Union**, the General Manager will serve as the Focal Point, and will also form part of the project steering sub-committee along with the Senior Loans Officer, the Micro-Finance Field Officer, and the Loans Officers.
- 6.14. At **Toledo Teacher's Credit Union**, the Operations Manager will serve as the Focal Point, and will also form part of the project steering sub-committee along with the Credit Manager and the Business Development Officer.

VII. COMPLIANCE WITH MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

- 7.1. **Disbursement by Results, Fiduciary Arrangements.** The EA will adhere to the standard MIF disbursement by results, Bank procurement policy¹⁸ and financial management¹⁹ arrangements as specified in Annex V and VI.
- 7.2. **Results-based disbursement.** The Project will be monitored by the MIF EcoMicro Program Team Leader, in Washington D.C with day-to-day support and coordination by the EcoMicro Team located in the Barbados Country Office. Monitoring will be undertaken in accordance with the performance and risk management policies (fulfilment of milestones) established by the MIF in April 2008 and knowledge sharing requirements of The EcoMicro Program. Project disbursements will be contingent

¹⁸ IDB Procurement Policies

¹⁹ Financial Management Operational Guidelines

upon verification of the achievement of milestones²⁰. These milestones will be verified using their means of verification, which will be agreed upon between the EA and the MIF. Achievement of milestones does not exempt the EA from the responsibility of reaching the logical framework indicators and the project objectives.

- 7.3. **Disbursements:** Disbursements will be made in accordance with the Financial Management Guidelines for IDB-financed Projects (OP-273-6) October 14, 2014 or future updates. All disbursements under this project will be made on an **ex-ante basis** via the following methods: (i) Direct Payment to Supplier/Contractor, in particular, for payments to the EcoMicro consulting partner. This disbursement method may also apply for the cost of travel relating to participation in knowledge exchange events; or (ii) Reimbursement of Payments (should the EA upfront expenses for participation in knowledge sharing events. Disbursements will be made on request by the EA, having conducted quality control and acceptance of consulting firm deliverables and to continue normal project implementation and after it is confirmed that no milestones are pending at the time of the request.
- 7.4. **Financial Management and Supervision.** The EA will establish and be responsible for maintaining adequate accounts of its finances, internal controls, and project files according to the financial management policy of the IDB/MIF. The Diagnostic of Executing Agency Needs (DNA) generated a low level of risk in financial management. The MIF will review all disbursements under this project on an ex-ante basis. All supporting documentation for disbursements will be supplied ex-ante with each disbursement request, with the MIF review conducted 100% on an ex-ante basis.
- 7.5. **Ex-Post Reviews and Financial Statements:** The MIF may contract independent auditors to carry out ex-post fiduciary reviews of this project. Ex-post fiduciary reviews may include a review fiduciary records relating to both project and also counterpart funds. Given that 100% of the disbursements will be reviewed on an **ex-ante basis** (as defined in 7.3 above), the EA is not required to prepare annual or final Financial Statements for this project.
- 7.6. The **first disbursement** (Milestone 0) will be made when the operation is approved. Approval will be granted once the MIF General Manager signs the contract and upon fulfilment of the following conditions in addition to those set by the Bank's agreement: (i) presentation of a signed contract with the EcoMicro selected consulting partner. In the event that milestones are not reached, the MIF and the EA will assess the severity of the situation and take appropriate measures to ensure that this does not have an impact on project implementation and/or achievement of the objectives.
- 7.7. **Subsequent disbursements** will be made in accordance with Bank financial management guidelines²¹, and in accordance with (i) the payment schedule in the executed contract with the EcoMicro consulting partner; and (ii) the schedule of knowledge sharing events.

²⁰ Milestones are activities or outputs critical to achieving the development objectives and must be determined jointly by the executing agency and the MIF. They may be revised and reprogrammed during the project implementation. The executing agency may also request that the Bank modifies the milestones with a limit of two times and provided that the corresponding deadlines have not expired. Fulfilment of milestones does not relieve the EA of the responsibilities to meet the indicators set forth in the Logical Framework.

²¹ Link to the document [Financial Management Operational Guidelines](#)

- 7.8. **Procurement.** In accordance with paragraphs 5.4 - 5.8 of the Donors Memorandum for The EcoMicro Program (RG-M1205²²), the EA will execute one main procurement under this project, the selection of their EcoMicro consulting partner. This selection will be via Single Source Selection, from the pool of consulting firms that have already been pre-qualified by the MIF via competitive process and are deemed eligible to participate in the EcoMicro Program. The IDB/MIF EcoMicro team will guide the EA to complete the final choice of the pre-qualified, eligible, consulting firm, after the MIF General Manager approves the project. The EA will make their final selection based on the firms technical ability to deliver specialized technical assistance to the EA in the context of their project, in: (i) design and piloting of a green finance product for the final beneficiaries of the project; (ii) analysis of the vulnerability to climate change of the loan portfolio of the EA; (iii) development and implementation of internal policies for energy savings; and (iv) knowledge management and communications to capture, synthesize and disseminate the knowledge generated at the project level.
- 7.9. For the procurement of all other goods and contracting of consulting services under this project, the EA will apply the IDB Policies for the Selection and Contracting of Consultants (GN-2350-9) and the Operational Guidelines for Technical Cooperation Projects (OP-639), or future updates. The Diagnostic of Executing Agency Needs (DNA) generated a medium level of risk classification for procurement management. The MIF will review all procurements under this project on an **ex-ante basis**. Before commencement of project contracting and procurement, the EA must submit the project Procurement Plan for the IDB/MIF's approval which should be updated annually and when there are changes in the methods or goods or services to be procured.

VIII. INFORMATION DISCLOSURE AND INTELLECTUAL PROPERTY

- 8.1. **Information Disclosure.** This project is classified as public for the purpose of the Bank's information disclosure policy.
- 8.2. **Intellectual Property.** The knowledge products and materials produced with the funds disbursed under the project remain the property of the Inter-American Development Bank.

IX. RECOMMENDATION

- 9.1. The Chief of Unit, Grant's Unit, Maria Elena Nawar, recommends the approval of this operation by the MIF Manager, under the Delegation of Authority granted by the Donors Committee by Resolution MIF/DE-33/11 adopted on September 20th, 2011 and the use of resources from the GAC EcoMicro allocation to the EcoMicro Program, totaling up to US\$600,000, in order to finance the corresponding project.

X. APPROVAL

²² MIF/AT-1143-2

- 10.1. I hereby approve, according to the Delegation of Authority provided by the facility approved by the Donors Committee by Resolution MIF/DE-33-11 adopted on September 20th, 2011 (MIF/AT-1143-2), up to US\$ 600,000.00 for the financing of the project EcoMicro - Belize Credit Union League (BCUL) Green Finance for MSMEs in the Agricultural and Fisheries Sector (BL-T1112), the "Project," to be considered as part of the EcoMicro Facility.
- 10.2. That the resources of the project shall be utilized to finance the activities described and budgeted in this document chargeable to the resources of the MIF under the EcoMicro Program (RG-X1131) on a non-reimbursable basis.
- 10.3. The commitment and disbursement of these resources shall be made only by the Bank in US\$. The same currency shall be used to stipulate the remuneration and payment to the consultant, except in the case of local consultants working in their own Borrowing Member Countries who shall have their remuneration defined and paid in the currency of such country.
- 10.4. No resources of the Program shall be made available to cover amounts greater than the amount certified herein above for the implementation of this Technical Cooperation Brief.

Approved